



Daily Report

Central Eurasia

FBIS-SOV-96-135
Friday
12 July 1996

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

Daily Report

Central Eurasia

FBIS-SOV-96-135

CONTENTS

12 July 1996

NOTICE: An * indicates material not previously disseminated in electronic form.

PRESIDENTIAL ELECTION ISSUES

Russia: U.S. Advisers' Role in Yeltsin Campaign Viewed [SOVETSKAYA ROSSIYA 11 Jul]	1
Russia: Shakhrai Interviewed on Success of Yeltsin's Campaign [ARGUMENTY I FAKTY Jul]	2
Russia: Polling Analyst Views Second Round of Elections [ARGUMENTY I FAKTY Jul]	3

INTERREGIONAL AFFAIRS

CIS: ITAR-TASS Carries Press Review for 12 Jul	5
--	---

RUSSIA INTERNATIONAL AFFAIRS

Russia: Paper Cites Importance Attached to Gore Visit, Talks [ROSSIYSKIYE VESTI 12 Jul]	6
Russia: U.S. Moves on ABM Aim To Regain 'Diktat' [PRAVDA 11 Jul]	6
Russia: Karasin Denies Reported Primakov Veto on PRC-Israel Deal [INTERFAX]	8
Russia: Deputy Foreign Minister Comments on USSR-DPRK Treaty [Moscow International]	8
Russia: Primakov Says Kyrgyzstan Fair to Ethnic Russians [INTERFAX]	8
Russia: Russia, France To Collaborate on Space Launches, Exploration [ROSSIYSKAYA GAZETA 9 Jul]	9
Russia: Diplomat Opposes Attempts To Depose Karadzic From Party [INTERFAX]	9

RUSSIA NATIONAL AFFAIRS

Political Issues

Russia: Bomb Explodes on Moscow Trolleybus 12 Jul; 27 Persons Injured [INTERFAX]	10
Russia: Investigators Believe 11, 12 Jul Moscow Bus Bombings Linked [INTERFAX]	10
Russia: 'Key Highways' Leading From Moscow Sealed Off [ITAR-TASS]	10
Russia: Moscow Mayor Says Explosion Indicates 'Chechen Influence' [Moscow ORT]	11
Russia: Zavgayev Denies Chechen Involvement in Moscow Bombings [INTERFAX]	11
Russia: Yeltsin Aide Discounts Chechen Link to Moscow Bombings [INTERFAX]	11
Russia: Link Suggested Between Lebed's Tough Talk, Bus Bombing [NEZAVISIMAYA GAZETA 12 Jul]	12
Russia: Criminal Proceedings Instigated After Moscow Explosion [ITAR-TASS]	13
Russia: Moscow Mayor Plans To 'Clear' Streets, Briefs Yeltsin [INTERFAX]	13
Russia: Three New Explosive Devices Found in Moscow [Radio Rossii]	13
Russia: Yeltsin Calls For 'Unifying National Idea' [ITAR-TASS]	13
Russia: Yeltsin Outlines 'Key Tasks' of Security Services [INTERFAX]	14
Russia: Yeltsin Directive on Kremlin Regiment, Commentary Carried [ROSSIYSKAYA GAZETA 11 Jul]	14
Russia: Yeltsin Aide Interviewed on Government Formation [Warsaw GAZETA WYBORCZA 11 Jul]	15
Russia: Cabinet Approves Implementation of Yeltsin's Regional Plans [ITAR-TASS]	17
Russia: Chernomyrdin Outflanks Lebed in 'Struggle' for Influence [NEZAVISIMAYA GAZETA 11 Jul]	17
Russia: Yeltsin Aide Livshits Hospitalized; Illness 'Not Very Serious' [IZVESTIYA 12 Jul]	18
Russia: Soskovets Reportedly in Hospital With Nervous Breakdown [Moscow Radio]	18
Russia: Lebed Opposes Force in Chechnya, Condemns Moscow Explosion [Moscow ORT]	18
Russia: Lebed Views Moscow Economic Crime Clampdown, Chechnya [IZVESTIYA 12 Jul]	19

Russia: Lebed Comments on Fighting Crime in Moscow [Moscow RTV]	20
Russia: Lebed News Conference on Crime Reported [Moscow NTV]	20
Russia: Experts Work on Financial Stabilization, Cabinet Structure [SEGODNYA 11 Jul]	21
Russia: Tarpishchev, Korzhakov, Others Under Investigation [Moscow Radio]	22

Military & Nuclear Issues

Russia: Yeltsin Considers Military Command Reform in Far East [ITAR-TASS]	22
Russia: Chernomyrdin Demands Solution to Army Financing Problems [INTERFAX]	23
Russia: Kobets, Rodionov Seen Losing Out in Fight To Head MoD [MOSKOVSKIY KOMSOMOLETS 12 Jul]	23
Russia: Media Commission Concludes Nevzorov Programs Discredit Army [Radio Rossii]	24
Russia: Yeltsin Signs Edict on Nuclear Power Safety Guarantees [ROSSIYSKAYA GAZETA 10 Jul]	24

Federal Assembly

Russia: Duma Changes Schedule To Attend President's Inauguration [INTERFAX]	25
Russia: Yabloko's Duma Faction Demands End to Fighting in Chechnya [INTERFAX]	25
Russia: Duma Fails To Overcome Veto on Land Code [INTERFAX]	25

Regional Affairs

Russia: Zavgayev Chairs Emergency Meeting of Chechen Government [INTERFAX]	25
Russia: Mikhaylov: All Sides Responsible for Chechen Peace Collapse [INTERFAX]	26
Russia: Russian Forces in Chechnya Deny Order To Seize Yandarbiyev [ITAR-TASS]	26
Russia: Military's Role in Renewed Chechen War Defended [KRASNAYA ZVEZDA 12 Jul] ..	26
Russia: Interior Minister Calls For All-Chechen Peace Talks [ITAR-TASS]	27
Russia: Kulikov Holds Conference in Grozny on Military Situation [INTERFAX]	28
Russia: Zorin: New Approaches to Peace Talks in Chechnya Needed [ITAR-TASS]	28
Russia: Claim of Financing Chechnya Rebels Defended	28
Russia: Abducted Grozny District Official Found Dead [ITAR-TASS]	29
Russia: Chechnya Goes 'Back to 1994' as Authorities Battle for Prestige [IZVESTIYA 12 Jul] ..	29

Economic Issues

Russia: Central Bank Senior Official Denies Crisis Looming [ITAR-TASS]	30
Russia: Central Bank Withdraws Licenses From 145 Banks [ITAR-TASS]	30
Russia: No 'Chain Reaction' Likely After Tveruniversalbank Failure [ROSSIYSKAYA GAZETA 11 Jul]	31
Russia: Decree on Funding for Agro-Industrial Complex [ROSSIYSKAYA GAZETA 9 Jul]	31

UKRAINE

International Affairs

Ukraine: Kuchma Appeals to Clinton, Kohl For Loans To Pay Miners [Kiev International] ...	35
Ukraine: Russia Seen Hampering Black Sea Fleet Issue [FLOT UKRAYINY 22 Jun]	35
Ukraine: Latvian Foreign Minister Comments on Visit Aims [INTERFAX]	37
Ukraine: 'Important Documents' Signed With Kazakhstan [HOLOS UKRAYINY 10 Jul]	37
Ukraine: Turkey Grants Political Asylum to Dudayev's Widow [DEMOKRATYCHNA UKRAYINA 11 Jul]	38
Ukraine: Official on Alternative Oil, Gas Suppliers [ODESSKIYE IZVESTIYA 5 Jul]	38

National Affairs

Ukraine: Kuchma Presents New Defense Minister Kuzmuk [INTERFAX]	39
---	----

Ukraine: UNIAN Gives Biography of New Defense Minister	40
Ukraine: Kuchma Reappoints Radchenko Head of Security Service [INTERFAX]	40
Ukraine: Kuchma Appoints Interior Minister, Other Officials [INTERFAX]	40
Ukraine: Kuchma Worried About State of Armed Forces [UNIAN]	41
Ukraine: Government Vows To Take 'Concrete Measures' To Pay Miners [INTERFAX]	41
Ukraine: Donetsk Miners Stage Protest Actions Against Debtors [ITAR-TASS]	41
Ukraine: Miners Block Railway Lines; Possible Settlement [UNIAN]	42

Economic Issues

Ukraine: Supreme Council Ratifies Credit Agreement With EU [INTERFAX]	42
Ukraine: Premier Favors Market Relations in Power, Energy Complex [UNIAN]	42
Ukraine: Kiev Expects To Harvest 30 Million Tonnes of Grain [INTERFAX]	43

WESTERN REGION

Belarus

Belarus: Deadline Announced for Nuclear Weapons Withdrawal [Minsk Radio]	44
Belarus: Official Claims Ukraine Supports Idea of Non-Nuclear Zone [BELAPAN]	44
Belarus: British MP Pays Off Belarusian Debt to OSCE Assembly [INTERFAX]	44
Belarus: Lukashenka Holds Talks With French President in Paris [INTERFAX]	44
Belarus: Friendship Treaty Signed With France During Lukashenka Trip [ITAR-TASS]	45
Belarus: Russian Duma Chairman Pays Official Visit [ITAR-TASS]	45
Belarus: Russian Duma Speaker Addresses Parliament [Minsk Radio]	46
Belarus: Foreign Minister Meets With Russian State Duma Chairman [BELAPAN]	47
Belarus: Sharetski, Seleznev Oppose NATO Expansion Eastward [BELAPAN]	47

Moldova

Moldova: Romanian President Accused of Meddling in Moldovan Affairs [ITAR-TASS]	48
Moldova: Dniester's Shevtsov: Lebed Wants 'To Settle Accounts' [BASAPRESS]	48

CENTRAL ASIA

Kyrgyzstan

Kyrgyzstan: One Third of U.S. Aid May Have Been Stolen [VECHERNIY BISHKEK 12 Jul]	49
Kyrgyzstan: Russia Says Kyrgyzstan Fair Toward Ethnic Russians [INTERFAX]	49

Tajikistan

Tajikistan: UN Offers Compromise Plan To End Fighting [INTERFAX]	49
Tajikistan: UN Envoy Praises Iran's Role in Tajik Peace Process [Tehran IRNA]	50
Tajikistan: Kyrgyz President Arrives in Dushanbe, Comments [INTERFAX]	50
Tajikistan: German Military Delegation To Monitor Arms [Dushanbe Radio]	50

Turkmenistan

Turkmenistan: Russia Hails Inter-Tajik Talks in Ashgabat [ITAR-TASS]	50
Turkmenistan: Deputy Premier, Indian Minister Meet in New Delhi [ITAR-TASS]	51
Turkmenistan: Iran Engaged in 17 Projects in Turkmenistan [Tehran IRNA]	51

CAUCASUS

Armenia

Armenia: News Agency Director Discusses Furor Over Shooting Story [NOYAN TAPAN]	52
---	----

Armenia: Fired Newsmen Explains Shooting Story, Blames INTERFAX [NOYAN TAPAN] ...	52
---	----

Azerbaijan

Azerbaijan: Aliyev Accuses Cabinet of Economic Mismanagement [INTERFAX]	52
Azerbaijan: Associates of Ex-Premier Guseynov Seen in Western Regions [TURAN]	53
Azerbaijan: Armenian-Russian Military Personnel Protocol Detailed [TURAN]	53

Georgia

Georgia: General Warns of Escalation if Peacekeepers Withdraw [INTERFAX]	54
Georgia: Envoy to Russia Comments on Abkhaz Conflict Settlement [Tbilisi Radio]	54
Georgia: Ministry Denies Internal Troops Deployed in Kodori Gorge [BGI]	54
Georgia: Abkhaz 'Foreign Ministry' Demands Georgian Withdrawal [INTERFAX]	54

BALTIC STATES

Estonia

Estonia: Residence Permits To Be Granted to 333,000 'Aliens' [BNS]	56
Estonia: Foreign Ministry Explains 'Alien Passport' for Residents [BNS]	56
Estonia: Russians To Picket for Extension of Soviet Passports [BNS]	56

Latvia

Latvia: Latvia Supports Kiev's Proposal for Nuclear-Free Zone [UNIAN]	57
Latvia: Foreign Minister Departs for Ukraine [Riga Radio]	57
Latvia: Minister Briefs on Talks With Russian Economics Minister [BNS]	57

Lithuania

Lithuania: Belarusian Prime Minister Arrives for Two-Day Visit [Vilnius Radio]	57
Lithuania: Stolen Uranium 'Did Not Come From Ignalina' [Moscow NTV]	58

Russia: U.S. Advisers' Role in Yeltsin Campaign Viewed

MM1107153096 Moscow SOVETSKAYA ROSSIYA
in Russian 11 Jul 96 p 1

[Article by Yevgeniy Ivanov: "Operation 'Secretive Band.' An Addendum to the Story of How 'Bashful' Americans Forged Yeltsin's Victory"]

[FBIS Translated Excerpt] In its 6 July issue this year SOVETSKAYA ROSSIYA published the translation of a sensational article by Lee Hockstader, current affairs writer on the U.S. newspaper THE WASHINGTON POST, entitled "Three 'Bashful' Americans — Specialists in Political Advertising — Helped Yeltsin Election Campaign." Lee Hockstader conducted an investigation in Moscow and New York and unveiled a secret that had been thoroughly guarded until the start of the second round of presidential elections in Russia: Since March this year three "quiet" and "bashful" Americans, hired by the Kremlin for consultation on the art of psychological warfare against G.A. Zyuganov, the candidate from the people's patriotic forces bloc, had been staying in the President Hotel in Moscow, where Yeltsin's reelection team had its headquarters, avoiding all contact with the press. [passage omitted citing THE WALL STREET JOURNAL, THE WASHINGTON POST, and TIME magazine on the story].

Many articles with curious details about operation "Secretive Band" have appeared in the Western press. It is claimed that transatlantic consultants were involved in orchestrating the hysteria that followed the Russian parliament's condemnation of the collapse of the former Soviet Union, and that Yeltsin had even secretly advised Zhirinovskiy's followers to vote for the resolution to make sure that it was passed in the State Duma. Another small but telling detail is also noted: It was at the suggestion of the president's daughter Tatyana Dyachenko that Yeltsin's reelection team made its headquarters at the President Hotel, "close to the Americans"; she herself stayed in Room 1119, and the Americans in the neighboring Room 1120. THE MOSCOW TIMES reports that Yuriy Levada, leader of the All-Russia Center for the Study of Public Opinion, confirmed that he had consulted the Americans and carried out some research for them. In exactly the same way the company "Video International," which prepared a television advertisement in support of Yeltsin, was in constant collaboration with the "quiet" Americans. "Everything that we prepared, we immediately submitted to the analysis of our American friends," Vladimir Semenov, the company's executive director, said.

Letting radio listeners in on some of details of the American political consultants' secret mission, BBC

observer Stephen Malvi [name as transliterated] asked the question: "What might have happened if such frank articles had appeared, say, before the second round of the elections?!"

The list of questions that suggest themselves can be extended in the same vein. For example: How would the Republican Robert Dole react, if the headquarters of Clinton's reelection team secretly played host to...well, for instance, such leading lights of Russian "democracy" as Vyacheslav Nikonov, who so brilliantly improved on the famous aphorism about the three forms of lies: There are lies, damned lies, and the "refutations" of Yeltsin's chief analyst? And what if, to assist Nikonov, Moscow were to send as an adviser to Clinton that real master of drumming up capital for election purposes, Anatoliy Chubays? Or that real expert at fashioning "turncoat" regions between the first and second rounds, Sergey Filatov?! After all, truly, the Russian experience in this field might well be useful in order to guarantee Clinton's reelection! As Marshall Goldman, the well-known American political scientist, noted in THE NEW YORK TIMES, "Yeltsin's entourage put colossal pressure on the governors" and at the same time intimidated them, putting them on the horns of a dilemma: "If the Communists come to power, they will be fired; but if the majority of people in their oblast or kray vote for the Communists but Yeltsin gets in anyway, they will still be fired; and in order to remain in their posts they must at all costs achieve a majority of votes for Yeltsin in their own backyard." In the opinion of Professor Marshall Goldman "all this is a long way from democracy." Surely Robert Dole would not think differently if Bill Clinton played this "Russian card" against him?!

However, all this is from the realm of conjectures, which are generally called fantastic analogies. Let us turn to our own country's realities. The democratic press (for example IZVESTIYA), which has its own foreign correspondents, did not report a word to its readers either about the article in THE WALL STREET JOURNAL, or about Lee Hockstader's expose. Nor did ITAR-TASS' prestigious branches in the United States notice it, although on the day of the publication of the newspaper carrying this article — 1 July — it was still possible to disseminate information about it in the Russian mass media, without violating the Law on Elections; but alas, that is the sort of glasnost we have nowadays in our country, a glasnost that vigilantly guards the authorities' interests! After all, if this sensational story had filtered through to the Russian mass media, it is possible that on election night, 3-4 July, Vyacheslav Nikonov and company would not have had cause to buy 100 bottles of champagne in the

ITAR-TASS canteen to celebrate Yeltsin's reelection, and simultaneously — was it just a coincidence, or did the American consultants advise this also?! — the U.S. national holiday. After the second round of the Russian elections the world's news agencies circulated, among other responses, Zhirinovskiy's opinion: "Clinton has decided who should be president of Russia, since the West needs our natural resources. By the year 2000 Russia will have become a colony." AP carried together with this story a photograph taken as a souvenir on Red Square by that same group of "quiet" and "bashful" Americans who for \$250,000 had performed the secret operation in the President Hotel to promote Yeltsin's reelection to the presidency. It is unlikely, but true, that, after the wave of exposures in the Western press, when it was no longer possible to avoid letting the cat out of the bag, IZVESTIYA, in its 9 June issue, published the photograph [which also accompanies this article], with the pretty cynical caption: "They Too Forged Our Victory"....

Russia: Shakhray Interviewed on Success of Yeltsin's Campaign

LD1107170096 Moscow ARGUMENTY I FAKTY
in Russian

No. 28, Jul 96 (Signed to Press 9 Jul 96) p 3

[Interview with Sergey Shakhray, Russian presidential adviser, by correspondent Andrey Uglanov; place and date not given, under the "Details" rubric: "Sergey Shakhray: 'We Simply Listened More Attentively to the People...'"]

[FBIS Translated Text]

The Technology of Victory

The majority of readers have followed the election squabbles from a distance. Including, of course, the voting process. But what happened at the candidates' headquarters? What forces were mustered? And what do the experts say?

[Uglanov] Sergey Mikhaylovich, how did you get onto the council of Boris Yeltsin's election headquarters?

[Shakhray] The members of the council were selected very carefully by Boris Nikolayevich, himself. It numbered just 15 people. But of them all, perhaps only three or four people, including Viktor Ilyushin and myself, had the experience behind them of President Yeltsin's election campaign in 1991.

My links with the regions were taken into account, and probably my specific way of thinking as a professional lawyer. The ability to predict the most likely turn of events, to predict what one's opponent will do, to find weak points in an opponent's defense, and to precisely

set the time and place for a counterattack are part of the tools of the trade for a lawyer.

[Uglanov] Did you not have to take part in some of the competitors' squabbles? After all, there must be something in the story that the recent dismissals are part of a battle between the presidential teams — the one "in favor of the elections" and the one "against the elections."

[Shakhray] I have proceeded and proceed from one, and only one, principle in all my dealings with others — business first. I think this is why I was able to work completely normally with Ilyushin and Korzhakov, with Sorokovets and Filatov and with Yarov, Yegorov, and Chubays. I cannot say there were no arguments — there were, and they were quite some arguments! But the competition was not about access to Yeltsin but about the best project and the best idea. And this is normal competition.

[Uglanov] The most frequent claim now being made is that your headquarters was the first one in Russia to make full use of foreign electoral technology and that this is what brought success to Boris Yeltsin. Is this so?

[Shakhray] I absolutely do not agree. TIME magazine wrote that American consultants sat day and night in Yeltsin's headquarters and without them no one could take a step. This probably is the real "Western technology" — how to acquire publicity for yourself by dint of other people's work. Yes, we did receive all kinds of advice. I do not know which experts it came from, but it all had the same fate — all of it was thrown in the rubbish bin because it bore no relation to our lives.

As for the technology of the adverts themselves, cooperation with the mass media and holding mass events, the methodology here is one and the same throughout the world: 50 percent science, 50 percent talent, and the hard toil of everyday work.

Incidentally, there was no messing around with the mass media or attempts to exert pressure on it. At a council session, Yeltsin himself gave a real dressing-down to those who were trying to complain about journalists who, they said, "are not reporting correctly." He said he was not elected president to control the press.

Our main emphasis was not on imported methodology or on the advice of image makers. I think that, despite the opinion to the contrary, it was not Yeltsin who committed this "sin" but his main opponent.

Remember all his parading of sports clothes, the emphatically relaxed visiting of nightclubs, the daily news conferences...[ellipses as published] This is surely closer

to the American "Hollywood smile," the style of the winner chasing success.

But in Russia sympathy, empathy, and unhurried, thoughtful, conversation is more important. Even when we like someone, we say "I pity him." How can you speak to our people in slogans?

You should not tell people how to live, but simply listen to what concerns them, what they dream of, what they want.

[Uglanov] So, did the people of Russia themselves give you the strategy for the election campaign and the tactics for working against your opponents?

[Shakhray] We allocated a large role in the election strategy to direct conversation between the president and the people of Russia, at first hand. Honest, open, impartial, and — of course — business-like conversation. Many people probably heeded the address of the president to the residents of each region on the local radio, his brochure "57 questions of the electorate to the president of Russia," his interviews with ARGUMENTY I FAKTY and INTERFAX... [ellipses as published] Everyone immediately felt the results of this work — both the people of Russia and the president himself.

And the very important point in our election strategy — "we've had enough of dividing our country into Whites and Reds" — came straight from life itself, from the general mood, from the heart.

This produced the main slogan of the campaign — "Yeltsin is the president of all the people of Russia" and not the chairman of the Central Committee of one of the parties.

The electorate themselves made it quite clear that freedom was dear to them, moreover, it was dear to those who voted for Yeltsin and those who voted for Lebed or Yavlinskiy. But freedom alone is not much. People want it to be combined with reliable order and the attentive concern of the state.

The trio "Freedom — Order — Concern" formed the basis for the strategy of the election campaign and our work with our opponents.

[Uglanov] How was Yeltsin's election campaign financed?

[Shakhray] I was not involved in the financial planning. I am not much of an expert here. I know that the candidate's own election fund (over 14 trillion rubles) was used to finance it.

There were other resources too. After all, the law does not restrict anyone's right to campaign for or against any candidate independently and using his own funds.

These resources are not included in the electoral fund of the candidate and his team, and they work in parallel.

[Uglanov] The president gave speeches and spoke "without paper" a great deal. Did he learn all his speeches off by heart?

[Shakhray] No, of course not. He used special television monitors for the most important and the most crucial speeches. But even here he very often improvised to tailor what he was saying to the audience.

Russia: Polling Analyst Views Second Round of Elections

LD1107160796 Moscow ARGUMENTY I FAKTY
in Russian No. 28, Jul 96 (signed to press 9 Jul) p 2

[Interview with Nugzar Betaneli, director of the Institute for the Sociology of Parliamentarism, by Nikolay Chaplygin; place and date not given; under the "Political Casino" rubric: "Our Citizens are Clever..."]

[FBIS Translated Text] Nugzar Betaneli, the director of the Institute for the Sociology of Parliamentarism, almost exactly forecast voter turnout in the second round: 66 percent. We asked him to comment on the results of the election:

[Chaplygin] Exactly two weeks before the second round of voting, Boris Yeltsin was only three percent ahead of his main opponent, Gennadiy Zyuganov. How did B. Yeltsin manage to increase his lead over G. Zyuganov in the second round to 13 percent?

[Betaneli] One of the main reasons may be found at the heart of public psychology. The majority of Russians could vote as they wanted in the first round, they could show sympathy toward the new leaders and their dislike of the current authorities. But in the second round, they were faced with an "either, or" choice. If you consider that during recent years, around 52-65 percent of Russians have always been in favor of careful, evolutionary policies and "against changes achieved at the cost of political confrontation and upheaval," then it is not difficult to predict their choice.

A series of extremely successful steps by the president in creating an election coalition with Aleksandr Lebed and other political leaders who had been recent competitors in the election also played a decisive role. This enabled B. Yeltsin to win over the votes of another 18 percent of the electorate.

An analysis was made by comparing the answers of those polled to two questions: "Who did you vote for at the Russian Federation presidential election on 16 June 1996?" and "Who will you vote for in the Russian Federation presidential election on 3 July 1996?" The number of all the electorate of Russia was taken to represent 100 percent.

The "Switch" in the Electorate's Vote in the Second Round

Electorate Voting in First Round "for"	Intended to Vote in the Second Round "for,"		
	"B. Yeltsin"	"G. Zyuganov"	"Against Both"
V. Bryntsalov, Yu. Vlasov, M. Gorbachev	0.3 percent	0.4 percent	0.2 percent
B. Yeltsin	34.5 percent	0.8 percent	0.2 percent
V. Zhirinovskiy	1.9 percent	3.1 percent	0.7 percent
G. Zyuganov	0.9 percent	31.3 percent	0.1 percent
A. Lebed	9.3 percent	3.5 percent	1.7 percent
S. Fedorov	0.7 percent	0.2 percent	0.1 percent
M. Shakkum	0.3 percent	0.0 percent	0.0 percent
G. Yavlinskiy	5.5 percent	0.8 percent	1.0 percent
Against All	0.3 percent	0.3 percent	0.9 percent
Total in Terms of Preliminary Results of 3 July Ballot	53.7 percent	40.4 percent	4.9 percent

[Chaplygin] Public attention is now riveted on the new head of the Security Council under the Russian Federation president. Does the "A. Lebed phenomenon"

exist, or is his popularity temporary, like much in our lives?

[Betaneli] This politician has a great future and this is why.

Everything started in the Dniester era, as you know. A poll of citizens of Russia (September 1994) showed that even then Gen. A. Lebed was one of the eight most popular politicians and statesmen. In December 1994, A. Lebed was already fourth in the country with regard to the level of public confidence placed in him by Russians. In just four months (the beginning of 1995), Gen. A. Lebed's rating was equal to that of G. Yavlinskiy and they both lay claim to the greatest popularity in the country. In June 1995, following the tragic events in Buddenovsk, A. Lebed was way ahead of the rest: 20 percent of Russians thought that A. Lebed was most capable of expressing and defending their national interests. On the threshold of the elections to the State Duma (October 1995), A. Lebed was ahead of G. Yavlinskiy and G. Zyuganov and was only behind G. Zyuganov. Later "changes" in his fate are well known to the readers of ARGUMENTY I FAKTY.

Our polls have shown that A. Lebed today has one of the highest ratings in the country: 50 percent of the electorate of Russia have, to a greater or lesser extent, a positive attitude toward his activities.

[Chaplygin] So, has the country "woken up in a different place" after the election?

[Betaneli] The election has at least developed the civic awareness of society. I hope that this process has also affected the politicians.

CIS: ITAR-TASS Carries Press Review for 12 Jul

LD1207061096 Moscow ITAR-TASS in English
0549 GMT 12 Jul 96

["Press Review" — ITAR-TASS headline]

[FBIS Transcribed Text] MOSCOW July 12 (Itar-Tass) — Follows a review of Friday's Moscow-based Russian newspapers dated July 12. Today's newspapers highlight Thursday's explosion in a trolleybus in downtown Moscow.

ROSSIYSKIYE VESTI reports that the explosion occurred at nine a.m. in a 12 Route trolleybus in Pushkin Square. The trolleybus driver is currently in an intensive care ward at a Moscow hospital. Four passengers sustained light bodily injuries. They were given medical aid at the outpatient department and sent home.

KOMSOMOLSKAYA PRAVDA points out that, according to a preliminary conclusion drawn by Federal Security Service (FSB) and Interior Ministry personnel, who investigated the incident at the scene, the blast should be viewed as a terrorist act.

ROSSIYSKIYE VESTI quotes Security Council Secretary Aleksandr Lebed as saying that the incident was a "crazy terrorist act".

Lebed stated that the act was staged with a view to heightening tension in the country, and "bringing about an atmosphere of exhaustion and fear". He emphasised that he intends to build a security system "which would rule out terrorism and any other such manifestations".

ROSSIYSKAYA GAZETA on the situation in Chechnya.

The newspaper's opinion is that Movladi Udugov's ultimatum that Federal forces should implement the accords reached in Nazran about removing checkpoints from the republic served as the cause of the aggravation of the situation.

Udugov threatened that "if this is not done, appropriate measures would be taken." In reply, General Tikhomirov put forward an ultimatum of his own in a demand for the surrender of weapons by all bandit formations," the newspaper points out.

ROSSIYSKIYE VESTI on measures to raise air traffic control standards to ensure the safety of flights.

President Boris Yeltsin supported the proposal made by the Security Council, the Defence Ministry, the Association of organisations which provide air navigation

services for the users of the country's air space, and the Federation of air traffic controllers' unions to improve the air traffic regulation system through the establishment of an extradepartmental military-and- civilian State Air Traffic Service Corporation.

ROSSIYSKAYA GAZETA on the rehabilitation of former Deputy Minister of Education.

In all corruption cases, "people would like to know how much money a person in question has managed to snatch", journalist Viktoria Molodtsova writes in an article about corruption accusations against a former Deputy Minister of Education and his subsequent rehabilitation.

It is the law-court that must be the first to pronounce the word "corruption" as a verdict and then all the rest should have say," the journalist concludes.

IZVESTIYA on the Chernykh brothers, traders in aluminium.

The newspaper carries a big article from Krasnoyarsk about the notorious Chernykh brothers, traders in aluminium, in connection with a scandal around Sports Minister Shamil Tarpishchev, a person from the President's entourage. The Chernykh brothers have close connections with Russia's and international underworld, the article reveals.

KRASNAYA ZVEZDA on the provision of hardware for the Air Force.

First Deputy Minister of Defence Andrey Kokoshkin convened a meeting to discuss matters concerning a long-term programme aimed at providing the Air Force with hardware. The programme is currently being examined by the Russian government.

In most complex and at times critical conditions for the financing of defence expenditure, the provision of the Air Force with most up-to-date equipment and the development of new specimens of equipment did not remain at a standstill, Kokoshkin pointed out.

A report by Major-General Yuriy Yatsenko, Head of the Air Force Weapons Board, said that since the Russian Air Force was brought into being in 1992, it adopted 15 types of new hardware, including new modification of the light frontal jetfighter MIG-29 with the most up-to-date complex of armament, the Ka-50 combat helicopter, a highly-effective aircraft guided air-to-air missile, several types of new unguided destruction weapons, and two adjustment aerial bombs.

Russia: Paper Cites Importance Attached to Gore Visit, Talks*MM1207084096 Moscow ROSSIYSKIYE VESTI in Russian 12 Jul 96 p 2*

[Report by Yuriy Popov: "Things Going Well With Gore"]

[FBIS Translated Text] Next Monday Viktor Chernomyrdin and U.S. Vice President Al Gore will begin, and on Tuesday conclude, talks on a number of important problems in the sphere of bilateral economic cooperation. These include joint projects in the sphere of power generation, space exploration, defense industry conversion, environmental protection, the settlement of the problems of joint access to the two countries' markets, and the protection of law and order.

As you can see, the two cochairmen of the Russo-American Intergovernmental Commission for Economic and Technological Cooperation will have some hard work to do in just two days. This will be the first session of the Chernomyrdin-Gore commission since the presidential election, and the seventh in all. It envisages talks between the cochairmen, working meetings between the commission committee cochairmen at Russian departments, and a working lunch with business circles from our country and the United States. On day two of the session it is expected that joint documents will be signed and a joint news conference held. All this shows that the U.S. side is geared to developing large-scale cooperation with Russia long term — at least for the next few years. The doubts about a possible change in the Kremlin's political course have thus been cast aside.

The importance being attached to this session can be judged from the fact that talks are planned between the U.S. vice president and President Boris Yeltsin.

Meanwhile, Al Gore arrives in Moscow Saturday evening, and on Sunday wants to get to know Moscow and, of course, to meet unofficially with Viktor Chernomyrdin.

Russia: U.S. Moves on ABM Aim To Regain 'Diktat'*MM1107132596 Moscow PRAVDA in Russian 11 Jul 96 p 3*

[Second and concluding article by Political Observer Richard Ovchinnikov: "A Shield That Reveals a Sword? Prevent the Revival of Nuclear Diktat"]

[FBIS Translated Text] The new Russian leadership seems to have completely forgotten that there are national interests. The interests which ought to be sacred

to any regime because they affect the country's destiny. Washington, conversely, has continued stubbornly pursuing its own selfish line. For example, the United States unhesitatingly pocketed B. Yeltsin's agreement to the complete elimination of our multiple warhead ICBMs. This provision was the cornerstone of the START II Treaty which was hastily signed 3 January 1993. As for cooperation with Russia on the joint development of an ABM defense system, the U.S. side dangled this idea in front of our face but decided not to rush it. The main reason — why share the relevant technology with the Russians? The question was left for the new U.S. Administration's examination.

Clinton: A Fresh Start

By the time that President B. Clinton entered office the situation regarding the deployment of a U.S. national ABM defense system had essentially not advanced a single step. Despite the \$30 billion spent on SDI the necessary technology had not been found. The "roof" designed to protect the United States from Soviet, now Russian, ICBMs remained an illusion. But the idea of pooling efforts with Russia in the search for these technologies was finally deemed inexpedient. The Clinton Administration made a different decision: To secure Moscow's agreement to separate research into the potential of the ABM system, in other words, it wanted a free hand.

It was proposed to Russia that factual "amplifications" be made to the ABM Treaty in two regards: a) to "delimit" ballistic missiles into two classes — strategic and nonstrategic (tactical); and b) in respect of the latter to allow each side to develop theater ABM systems, irrespective of whether such systems have the objective potential to combat strategic missiles too.

What was the point of this maneuver? Because the United States no longer regards the Russian nuclear threat as relevant to itself, it switched its priorities from the development of SDI for U.S. territory itself to another sphere — the deployment of separate theater ABM "umbrellas." Washington intends to use them to protect its forward-based forces, that is, the U.S. troops abroad, and possibly also the U.S. allies. But this indicates a clearly offensive U.S. line overseas. In particular the theater ABM systems are supposed to cover NATO's eastward advance.

On the other hand, the advance of the theater ABM systems toward Russia's borders gives the United States another advantage. These systems have the potential to be used over a short distance to intercept Russian strategic missiles in the most vulnerable phase of their trajectory — the boost phase. That is, when their precise

location is known and they are traveling at low speed. One way or another, therefore, Washington manages to increase the vulnerability of the remaining Russian nuclear deterrent forces.

When addressing the U.S. Congress in January last year, the present Pentagon boss W. Perry announced that the development of the theater ABM system is the "key element" for the United States and the "paramount priority" of its military strategy. Accordingly theater ABM appropriations are to be \$14.3 billion in 1995-1999 with a further \$35.7 billion in the next 10 years, or a total of \$50 billion over 15 years. In this way Russia is to be ringed by a palisade of U.S. theater ABM systems close to its borders which will play the strategic role of disarming our country.

As far as can be judged, the Russian military understand that what we are dealing with here is the embrace of a boa constrictor. That is why the process of coordinating the Russian and U.S. positions on theater ABM systems is not complete. But the Russian political leadership is far more generous. At the bilateral summit in Moscow in May last year it was agreed in principle that each side could deploy these ABM systems. But because the Russian Federation does not have the means to do this what we looking at here is actually a unilateral U.S. opportunity in this regard.

The Finishing Straight

Since the start of this year the truth has been reaffirmed that he who makes concessions is merely subjected to more pressure. Those people across the ocean who want the United States to simply withdraw from the fundamental ABM treaty are rearing their heads again.

On 26 January this year the U.S. Senate enthusiastically ratified the START II treaty (by 87 votes to four), a treaty which essentially deprives the Russian Federation of the most effective means of averting a first strike. But even that is not enough for the United States. The corresponding Senate resolution on ratification actually reserves the U.S. right to withdraw from the ABM Treaty. It is aimed at the creation of a territorial system for the whole United States with sea- and space-based elements, which is directly prohibited by this treaty.

Perhaps Washington will delay the realization of this aim a little. If only because it does not have the relevant technology right now. On the other hand, an inordinate haste to repudiate the ABM Treaty could make it impossible for the State Duma to ratify the START II Treaty. Here, too, the United States wants to wait until the latter has begun to be implemented. If and when that happens it will be too late for us to step on the brake. The United States will need only six months to withdraw

from the ABM Treaty whereas it will take Russia many years to restore the effectiveness of its nuclear deterrent systems if all its heavy ICBMs and their warheads are destroyed. In other words, we are being drawn into a cunning trap: It will be far easier for the United States to radically alter the strategic situation in its favor than for us to counter this. This is the background to the preparations across the ocean for the "timely" burial of the ABM Treaty.

However, let us not understate the difficulties facing the United States as it tries to return to the situation of 50 years ago when it held the nuclear weapon monopoly. Even Britain and France, allies of the United States, are clearly not prepared to tolerate such a prospect — the invulnerability of the United States to nuclear weapons. If that were to happen they themselves would be left without a means of nuclear deterrence. It goes without saying that China would not agree to such an outcome. Nevertheless, there is no doubting Washington's intention to play the role of the world's sole nuclear arbiter. Given its current attitude toward the ABM Treaty it is in fact only looking for the best opportunity and a propitious moment to repudiate this treaty, and that hardly smacks of a love of peace.

It is time for the Russian Federation to weigh up soberly a situation which threatens its very existence. We cannot tolerate a situation in which any action of ours could lead to the threat of a crushing "punitive" strike if it did not suit them across the ocean. That is why it is impossible to swim with the tide. What is at stake here in the literal sense of the word is the country's survival, which must be above all narrow party interests.

There are two methods of countering this deadly course of events.

First, there must be an immediate return to the old Soviet proposals aimed at preventing an unacceptable situation. In other words, there must be a proposal that the United States and Russia accept a clear commitment not to use their right to withdraw from the ABM Treaty for 10 years. Meanwhile all its terms must be strictly observed. Then it is necessary to agree that in the three to five years after that 10-year period the two sides will hold talks on the whole ABM problem in the light of the actual situation pertaining to this question at that time.

Second, it is necessary to be firmly guided by a crucial premise of 25 years ago — that only the repudiation of the deployment of large-scale ABM systems creates the conditions for the limitation and reduction of strategic nuclear forces. That is why if the United States is reluctant to confirm the validity of the ABM Treaty, the Russian Federation cannot ratify the START II Treaty in its present form. We cannot be left without an effective

deterrent in a situation where Washington is continuing to pursue its present ambiguous policy which clearly has a hidden agenda.

The fate of world peace cannot be left to the whim of any one state. That would be a peace based on unacceptable diktat and would be extremely dangerous not only for Russia.

Russia: Karasin Denies Reported Primakov Veto on PRC-Israel Deal

LD1107184096 Moscow INTERFAX in English
1549 GMT 11 Jul 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, July 11 (Interfax) — Media reports from Jerusalem that Russian Foreign Minister Yevgeniy Primakov curbed a deal between Israel and China on the re-armament of Russian-made Ilyushin aircraft still remain unconfirmed.

"I do not know anything either about the deal, or about the veto allegedly imposed by the Russian foreign minister," Russian Foreign Ministry spokesman Grigoriy Karasin told Interfax Thursday.

Nor does the Ilyushin Aviation Corporation know anything about the alleged re-armament of the Chinese air force's planes by Israel Aircraft Industries. "No one has turned to us on this issue, nor were our representatives invited to the talks in Jerusalem."

The embassies of Israel and China had no information.

Russia: Deputy Foreign Minister Comments on USSR-DPRK Treaty

SK1007004696 Moscow Voice of Russia World Service in Korean 1200 GMT 8 Jul 96

[From the "Today's World" program]

[FBIS Translated Text] Russian Deputy Foreign Minister Aleksandr Panov stated in an interview with ITAR-TASS that Moscow's revision of the treaty of friendship, cooperation, and mutual assistance signed by the USSR and the DPRK in June [as heard] 1961 will not break the balance of power on the Korean peninsula. Aleksandr Panov said that the treaty already fulfilled its historic mission.

In 1995, Russia notified Pyongyang that it does not plan to extend the treaty for another five years, and sent a draft of a new treaty to the DPRK Foreign Ministry. The new draft agreement does not have the clause that Russia will defend the DPRK if the DPRK is invaded by foreign forces.

Some experts on Asia-Pacific affairs expressed concern, questioning whether it is dangerous to delete the clause at a time when the situation on the Korean peninsula is tense and U.S. military bases still remain in the south of the peninsula.

Russian diplomat Aleksandr Panov said that the DPRK has yet to respond to Russia's new draft agreement. Aleksandr Panov deemed as groundless some Russian and foreign experts' suspicions that Moscow's giving up of military assistance for Pyongyang may break the balance of power on the peninsula.

Today, Russia maintains good relations with the ROK. The Russian diplomat said that if such good relations can be achieved between Russia and the DPRK as well, the situation on the Korean peninsula would be balanced. Saying that Russia only enters into military alliances with CIS countries, the Russian deputy foreign minister pointed out that Moscow is very concerned about friendly relations with the South and the North.

Concerning the Russian diplomat's interview with ITAR-TASS, a station reporter interviewed Son Song-pil, DPRK ambassador to Russia. The ambassador said that the 1961 treaty has not played a significant role following the collapse of the Soviet Union, so the treaty needs to be reexamined.

Russia: Primakov Says Kyrgyzstan Fair to Ethnic Russians

LD1107192796 Moscow INTERFAX in English
1549 GMT 11 Jul 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] MOSCOW, July 11 (Interfax) — Russian Foreign Minister Yevgeniy Primakov thoroughly discussed a number of issues concerning the situation of ethnic Russians in Kyrgyzstan, Russian Foreign Ministry spokesman Grigoriy Karasin told a briefing in Moscow Thursday.

Primakov's official visit to Kyrgyzstan ended Thursday, he said.

Primakov was satisfied with the ambience and contents of his meetings in Kyrgyzstan, Karasin said.

"At present a simplified procedure for granting citizenship is being elaborated," he said. "This problem appears very important to us, moreover that the mass outflow of ethnic Russians from Kyrgyzstan has virtually stopped, unlike some other countries."

Kyrgyzstan is one of the former Soviet republics that practice a "civilized and constructive approach to the

problems of ethnic Russians there, a favorable distinction from some other states of the near abroad," Karasin said.

Russia: Russia, France To Collaborate on Space Launches, Exploration

MM1107115096 Moscow ROSSIYSKAYA GAZETA in Russian 9 Jul 96 p 5

[Untitled Russian Federation Government Directive 981 dated 24 June 1996 and signed by Russian Federation Government Chairman V. Chernomyrdin: "Samara Will Start Speaking French Too" — from the "Documents" section]

[FBIS Translated Text] 1. The Russian Space Agency's proposal, agreed with the Russian Ministry of Foreign Affairs and other interested federal organs of executive power, to carry out work jointly with the French firms of Aerospatiale and Arianespace on commercial launches of foreign spacecraft with the help of Soyuz-type launchers and to create space technology for conducting experiments under conditions of microgravitation and exploring space for peaceful purposes is adopted.

The Russian Space Agency and the "TsSKB-Progress" State Science- and-Production Space Rocket Center (Samara city) are permitted to negotiate with the French side and, on reaching accord, to set up a Russian-French joint-stock company in accordance with the established procedure.

2. It is laid down that, when carrying out work in the interests of the Russian-French joint-stock company to be set up in accordance with Point 1 of this directive, the design documentation and the production technologies for output created against orders from the Russian Federation Ministry of Defense are not permitted to be handed over to foreign clients.

3. The Russian participants in the Russian-French joint-stock company to be set up in accordance with Point 1 of this directive must ensure the priority fulfillment of the state defense order and the Federal Space Program according to the allocated topics, as well as compliance with the secrecy requirements laid down by Russian Federation legislation.

4. In fulfilling this directive, people are to be guided by the requirements of the Statute on the Procedure for Monitoring Exports From the Russian Federation of Equipment, Materials, and Technologies Used in the Creation of Rocket Weapons, approved by Russian Federation Council of Ministers-Government Decree 70 of 27 January 1993 (SOBRANIYE AKTOV PREZIDENTA I PRAVITELSTVA ROSSIYSKOY FEDERATSII, 1993, No. 5, p 396; No. 48, p 4652; SOBRANIYE ZAKONODATELSTVA ROSSIYSKOY FEDERATSII, 1995, No. 23, p 2229).

[Signed] V. Chernomyrdin, chairman of the Russian Federation Government
24 June 1996
No. 981

Russia: Diplomat Opposes Attempts To Depose Karadzic From Party

LD1207103196 Moscow INTERFAX in English 1016 GMT 12 Jul 96

[FBIS Transcribed Text] MOSCOW, July 12 (Interfax) — The International Tribunal for former Yugoslavia in the Hague is turning from a body concerned with justice into a political-ideological structure, a high-ranking staffer of the Russian Foreign Ministry told Interfax Friday.

He commented on the tribunal's decision to issue a warrant for the arrest of Bosnian Serb leaders Radovan Karadzic and Gen. Ratko Mladic.

U.N. member-states are to detain Karadzic and Mladic if they are found on their territory.

The diplomat gave no answer to the question of what Russia would do if the political and military leaders of Bosnian Serbs show up in the Don region, for instance. "We have too many real problems to consider hypothetical ones," he said.

The diplomat said Moscow thinks that the level of the tribunal's legal provision is not very high. "Despite international law, the tribunal is financed by the United States and several Islamic countries instead of the budget of the United Nations, which is living through difficult times. As known, the one who pays gives the orders," he said.

"Not to mention the Islamic countries, the United States and the West have at best a biased attitude to the Serbs, which tells on the work of the international tribunal. It is not accidental that a leader of the Muslim-Croat federation Zubak accused the tribunal of having sympathies for one side only — the Muslim one," noted the ministry staffer.

"Russia views as non-constructive the attempts of some members of the international community to depose Karadzic as leader of the Serbian Democratic Party of Bosnia and Herzegovina," said the diplomat.

"Together with its colleagues in the Contact Group (Russia, the United States, Great Britain, France and Germany), Moscow stood for Karadzic's withdrawal from the international scene. This has happened," noted the diplomat. "The demand for his resignation from the party post under the threat of annulment of the party's registration and a ban on its participation in the elections of September 14 would mean a change in the game rules coordinated in Dayton. Russia cannot agree to this," he said.

Political Issues

Russia: Bomb Explodes on Moscow Trolleybus 12 Jul; 27 Persons Injured

*LD1207083296 Moscow INTERFAX in English
0811 GMT 12 Jul 96*

[FBIS Transcribed Text] MOSCOW, July 12 (Interfax) — Twenty-seven persons suffered injuries in the trolleybus explosion which took place near the Alekseyevskaya subway station in Moscow on Friday morning, press chief of the Health Care Department of the Moscow government Igor Nadezhdin told Interfax. Two of them have been allowed to go home. No children suffered injuries, Nadezhdin said.

As of 10:30 a.m., the medical authorities had no word on whether anyone was killed in the explosion. Earlier, the Moscow police administration told Interfax the bus explosion had killed one person.

The number of wounded is growing because, Nadezhdin said, some passengers went home and made calls for medical assistance from their apartments. All the victims are suffering from various kinds of bad burns and injuries. Among the victims are three workers of the Sklifosovsky Medical Emergency Center who were headed for work.

The explosive devices planted in Moscow trolleybuses Thursday and Friday had the same yield, press chief of the Moscow Administration of the Federal Security Service (FSB) Sergey Bogdanov told newsmen at the site of the incident.

The second explosive device was planted by the central door in the middle of the bus.

Shreds of a synthetic cloth shopping bag resembling the one which contained an explosive device Thursday and what may be fragments of the explosive device were found in the bus on route 48, Bogdanov said. There may be a link between the two bus explosions, Bogdanov said. Nonetheless, the law and order authorities would not like to create fears, he said.

"President [Boris] Yeltsin's decree and the Moscow government's decision on a stepped-up fight against crime will be substantiated" today, Bogdanov said.

Motorists who chanced to witness the explosion lost no time in trying to help the victims, an Interfax reporter was told.

Russia: Investigators Believe 11, 12 Jul Moscow Bus Bombings Linked

*LD1207091696 Moscow INTERFAX in English
0910 GMT 12 Jul 96*

[FBIS Transcribed Text] MOSCOW, July 12 (Interfax) — The nature of the July 11 and 12 explosions in Moscow trolleybuses and the methods used by the criminals give grounds to say that the two crimes are interrelated and the same group of criminals was involved in the two incidents, Aleksandr Zdanovich, acting head of the Russian Federal Security Service's (FSB) public relations center told Interfax Friday.

The investigators are also considering "Chechen involvement."

They think it possible because of evidence given by criminals who blew up a passenger bus in Nalchik, the capital of the internal Russian republic of Kabardino-Balkaria, on June 28. The criminals said Chechen gunmen planned to send groups of militants to Russia.

The investigators are analyzing other explanations as well, said Zdanovich.

A united staff was formed from specialists of the FSB, the Interior Ministry and the Prosecutor's Office to solve the crimes.

Fragments of the homemade explosive device, which were found on the incident spot, have enabled experts to say that it was a time bomb.

An explosive device went off approximately on the same time on July 11 in a trolleybus on route 12. Specialists revealed it was a time bomb with a yield equivalent to some 200 grams TNT.

Experts in electric-powered transport of the Mosgortrans state-owned public transport company examined the trolleybus blown up Thursday and told Interfax the bomb was probably placed above the right front wheel between the first and the second seats located back to back.

Russia: 'Key Highways' Leading From Moscow Sealed Off

*LD1207053996 Moscow ITAR-TASS World Service
in Russian 0508 GMT 12 Jul 96*

["Urgent" item]

[FBIS Translated Excerpt] MOSCOW, 12 Jul (Itar-Tass) — Fifteen people were hurt today as a result of the explosion which occurred aboard a No. 48 trolleybus near House No. 89 on Prospekt Mira. [passage omitted]

A No. 12 trolleybus received similar damage yesterday morning when a blast occurred aboard it near Pushkin Square in Moscow. Experts do not rule out the possibility that "one and the same type of unsheathed explosive was used in both cases".

The city traffic police department said that plan "Siren" has been brought into operation. Key highways leading from central Moscow have been sealed off. Selective searches of motor vehicles are being carried out.

Russia: Moscow Mayor Says Explosion Indicates 'Chechen Influence'

LD1207090596 Moscow Russian Public Television
First Channel Network in Russian
0800 GMT 12 Jul 96

[From the "Novosti" newscast]

[FBIS Translated Text] Moscow Mayor Yuriy Luzhkov today visited the scene of the [trolleybus] explosion 20 minutes after the news had reached him. He then held a news conference:

[Correspondent Dmitry Kochetkov] Moscow Mayor Yuriy Luzhkov has promised a major clean-up in Moscow to rid the city of touring criminals, people without any permanent abode, and of other dangerous contingents. Control will be tightened over exit and entry to the city. Luzhkov said that emergency measures to ensure security does not mean that an emergency situation will be introduced in Moscow. The mayor thinks that the terrorist acts of yesterday and today are most likely to have been organized by the same forces, and that it is very appropriate to speak about a Chechen trace in this connection:

[Begin Luzhkov recording] This is Chechen influence. It can be seen—it can be seen. What I am saying is not idle talk and not fantasy. This is a possible reaction—there is a lesser possibility, but still, we do not rule this out—reaction to a decree which is being prepared—it was known that work on a draft decree was under way—the decree which has been signed by the president on a crackdown on crime.

This is an act of vandalism which has in fact one aim: to sow chaos, fear, distrust of the ability of the authorities to ensure the observance of law and order. Or this is an act of revenge, a savage revenge which certain political structures, systems, or political forces are taking against Russia, are taking against the state bodies of power. They do not have an opportunity to reach the leaders, so to say, and this is why they are taking this revenge on absolutely innocent people who have nothing to do with this political or state system. [end recording]

Russia: Zavgayev Denies Chechen Involvement in Moscow Bombings

LD1207081696 Moscow INTERFAX in English
0805 GMT 12 Jul 96

[FBIS Transcribed Text] GROZNY, July 12 (Interfax) — Moscow-backed Chechen leader Doku Zavgayev has bluntly refuted claims of Chechen involvement in the trolleybus bombings of the past two days in Moscow.

"Chechens have nothing to do with this. How could this be said without weighty grounds?" said Zavgayev.

Terrorism is a "phenomenon which has no national characteristic. Chechens are a normal people and they are most affected by terrorists now," he said.

Zavgayev said dozens of innocent people are affected daily by criminals in the republic. "Hostage-taking, murders, explosions have turned into reality for the residents of Chechnya," he said.

The Chechen government is doing its best to localize tension in the settlements of Gekhi and Makhkety, where the federal forces have recently been carrying out operations. Zavgayev visited the Urus-Martan region Thursday to meet local residents and the local authorities. "The situation is extremely tense. The separatists have actually broken the Nazran agreements and this is very regrettable," said the Chechen head.

He thinks, however, that the talks with the opposition leaders should go on. "I can see no other way to stop the war in Chechnya," said Zavgayev.

Russia: Yeltsin Aide Discounts Chechen Link to Moscow Bombings

LD1207091096 Moscow INTERFAX in English
0849 GMT 12 Jul 96

[FBIS Transcribed Text] MOSCOW, July 12 (Interfax) — Mikhail Krasnov, an aide to the Russian president, does not think that the bombings of the Moscow trolleybuses on July 11 and 12 have anything to do with the activities of the federal troops in Chechnya.

Evidence suggests that these were purely common criminal activities without any political undertones, he told Interfax.

The bombings are intended to discredit the efforts made by the authorities to fight against crime, Krasnov thinks. "Criminal terrorism can ultimately have political aims in mind, but it invariably remains criminal," he said.

It is not the first time that the situation in Chechnya has deteriorated, but nothing of this kind has happened in Moscow, Krasnov said. Evidence which he refused to

disclose suggests that there is no Chechen involvement in the bombing.

Russia: Link Suggested Between Lebed's Tough Talk, Bus Bombing

MK1207111696 Moscow NEZAVISIMAYA GAZETA in Russian 12 Jul 96 pp 1-2

[Article by Mikhail Karpov under the general headline: "Trolleybus Exploded in Downtown Moscow"]

[FBIS Translated Text] Yesterday's blast in a Moscow trolleybus was heard, as they say, "at the right place and at the right time." The day before, in the Kremlin, the president received the Security Council secretary and finally approved the documents he submitted, without which Aleksandr Lebed would not have the actual powers he so badly needs. And, for that matter, all those who pin their hopes on him — both with regard to the merciless war on crime promised by the general, and because of the fact that Yeltsin's team would be considerably strengthened by a person capable not of only tough talk, but of equally tough measures, taken, naturally, in the interest of the state and its citizens.

To what extent the blast on Pushkinskaya can dispel these illusions will only depend on how successful the actions of the special services investigating the terrorist act prove to be. The previous one — an explosion in the Moscow metro — was totally forgotten because of the elections. At any rate, it was erased from public consciousness by Yeltsin's victory.

There is an obvious connection between Lebed's and Luzhkov's unworkable project to curb crime in Moscow and Moscow Oblast, which was conceived as the first step to be followed by others all over Russia, and the brazen challenge thrown down yesterday to the entire state and all its citizens. Nothing happens by chance. Even if it turns out to have been the handiwork of a lone maniac — as has happened more than once in world history. Indeed, the very possibility of what happened indicates that, so far, society does not have mechanisms designed to guarantee its protection from such things.

There should be a connection — direct, indirect, or even poorly discernible. A press conference on Staraya Ploshchad, where plans to combat crime are aired, appears laughable when right next to it, on Pushkinskaya Ploshchad, not all the material evidence of this latest crime has yet been collected.

Someone in Lebed's shoes who had stronger nerves would have opted for exceptional, for the most extraordinary, measures in some bid to save the reputation he has put on the line, if not to save society itself.

But he preferred to draw the line at stating "this is a mad and thoughtless terrorist act with the objective of creating a tense situation in the country." Responding to a question on what he was doing to investigate the incident, Aleksandr Lebed stated that he was not "a fire brigade to rush over to investigate every concrete case." His job was to create a system under which such things would not happen. But when is it going to be created? And by whom?

Yesterday's explosion directly touches upon yet another new appointee; that is, new FSB [Federal Security Service] Director Nikolay Kovalev. His predecessors failed to become prominent for want of solving at least one case in the category of crimes that stirred up society. Now it is Kovalev's turn to take the test of strength.

In addition to illusions with regard to Lebed and Kovalev, the Pushkinskaya Ploshchad explosion has, rather rudely, dispelled peace and quiet in Russian society after the rebuff of the Communist foe who made an attempt upon the top state position. It appears that the victory of the guarantor of the continuation of reforms does not at all guarantee basic safety on the street. As for the reshuffles of the apparatus and structure that the elections forced the president to decide upon, they do no good at all to his consistent and the newly acquired electorate.

Yesterday's blast has given rise to quite a number of questions. It is up to both the elected and the appointed top officials of the state to answer them. The fact that they proved to be unprepared to cope with such a turn of events, that they have become engrossed in the sweet and titillating apparatus game of sharing out portfolios, powers, and positions, and have lost control of the situation that is taking shape on Moscow's streets, rather than in the Kremlin corridors, arouses a suspicion of their ability to control the situation in Russia in general.

Without a doubt, the card dealt to anti-Yeltsin and anti-Lebed players of the most involved Russian political poker will be played immediately and will probably outshine Rokhlin's exposures of generals and the mass media offensive on Tarpishchev. It will become clear in the most immediate future to just what extent the current situation will affect the newly started process of forming the structures of executive power.

Russia: Criminal Proceedings Instigated After Moscow Explosion

LD1207103996 Moscow ITAR-TASS World Service
in Russian 1017 GMT 12 Jul 96

[By ITAR-TASS correspondent Larisa Kislinkaya]

[FBIS Translated Text] Moscow, 12 Jul (Itar-Tass) — Criminal proceedings have been instigated in connection with the explosion in the trolleybus No. 48 on Prospect Mira. ITAR-TASS has learned from the press service of the Directorate of the Federal Security Service for Moscow and Moscow Region that a team of investigators from the Directorate will be working on it.

It is quite possible that today's criminal proceedings will be joined together with the criminal proceedings instigated in connection with the 11 July explosion in the trolleybus No. 12 on Strastnoy Boulevard.

Russia: Moscow Mayor Plans To 'Clear' Streets, Briefs Yeltsin

LD1207084596 Moscow INTERFAX in English
0817 GMT 12 Jul 96

[FBIS Transcribed Text] MOSCOW, July 12 (Interfax) — Moscow Mayor Yuriy Luzhkov does not plan to introduce a state of emergency in the Russian capital. He wants, however, to clear Moscow of homeless people, visiting and local criminals.

"We plan to clear Moscow of both homeless people and dangerous elements, including individuals and organizations who are related to certain systems and structures," the mayor told a news conference in Moscow Friday. "There will be no half-measures."

Luzhkov said that measures will be taken against certain visitors to Moscow from the south.

The explosion in a trolleybus in downtown Moscow's Strastnoy Boulevard on Thursday was followed by a telephone call to the police service, said the mayor. The caller, who had a typical Caucasian highlander's accent, said that "if the trolley was not enough, you should wait for more on the subway circular line," Luzhkov said.

Sources told Interfax preventative measures were taken at the metro circular line from 3 p.m. through 8 p.m. Thursday in a search for explosive devices.

The mayor described the explosions in trolleybuses Thursday and Friday as "acts of vandalism and barbarian terrorist acts which aimed to sow chaos, fear and mistrust in the authorities' ability to ensure order on Moscow's streets."

"Or it could be a wild revenge of certain structures or forces aimed against Russia," said the mayor. "They cannot reach the leaders of the state power institutions, and their terrorist acts are directed against ordinary people."

Luzhkov thinks the explosions could be organized by Chechens or "be a reaction to the presidential decree on measures against crime in Moscow and the Moscow region."

[Moscow INTERFAX in English on at 0825 GMT on 12 July adds: "Moscow Mayor Yuriy Luzhkov has briefed Russian President Boris Yeltsin about the latest bombing of a Moscow trolley bus Friday morning. 'Boris Nikolayevich [Yeltsin] knows about it. He told us to take numerous steps that are consistent with his decree on fighting crime in Moscow and the Moscow region,' Luzhkov told a news conference in Moscow. Four bombings over a short time add up to a system, he thinks. A subway train was bombed in a tunnel near Tulskeya station on June 11, while a bus near Strastnoy boulevard was targeted on July 11. Valeriy Shantsev, then a candidate for deputy mayor of Moscow, was viciously attacked four days before the subway bombing. The Federal Security Service reports that similar devices were used in the two trolleybus bombing attacks, Luzhkov said. The power of the explosions was the equivalent of 300 to 350 grams of TNT, he said."]

Russia: Three New Explosive Devices Found in Moscow

LD1207083496 Moscow Radio Rossii Network
in Russian 0800 GMT 12 Jul 96

[FBIS Translated Text] We were told by Vitaliy Kiyko, chief of the Moscow special purpose militia detachments (OMON), that the detachment's officers were dealing not only with the terrorist act on the Mir Prospect where a bus was blown up today, but also that three new explosive devices had been discovered today in the Sushchevskiy Val area, to which engineers had already been sent. We are expecting news from the site from our correspondent very soon.

Russia: Yeltsin Calls For 'Unifying National Idea'

LD1207114596 Moscow ITAR-TASS in English
1127 GMT 12 Jul 96

[By Andrey Shtorkh]

[FBIS Transcribed Text] MOSCOW July 12 (Itar-Tass) — President Boris Yeltsin urged his aides on Friday to design a "national idea" which would unify all Russians at the current stage of development.

"There were various periods in the Russian history of the XXth century — monarchy, totalitarianism, perestroika and, finally, the democratic path of development. Each stage had its own ideology. We do not have it", Yeltsin told a meeting of his campaign aides and said that the "national idea" is to be designed in one year.

The president said that at present, when there are some 40 political parties in the country, he cannot support any of them. "It is good that the president is outside the parties at the initial stage of democracy", he said.

However, "when there are two-three parties, the president will have to choose", Yeltsin stressed adding that "this may be necessary at elections in 2000".

The president admitted that mistakes had been made in the first years of reforms. Now that has to be ruled out. "It is criminal to make mistakes for the second time, that is inadmissible", Yeltsin stressed.

Russia: Yeltsin Outlines 'Key Tasks' of Security Services

*LD1207080596 Moscow INTERFAX in English
0753 GMT 12 Jul 96*

[FBIS Transcribed Text] MOSCOW, July 12 (Interfax) — Russian President Boris Yeltsin addressed a meeting of the Federal Security Service's board Friday to outline the key tasks for Russian security services as measures against terrorism and the subversive activities of foreign secret services.

"The third priority is measures against corruption and organized crime. This is very important," said the president.

Another task is to ensure the economic security of Russia, noted Yeltsin.

"The results of the July 3 elections confirmed that the majority of residents support the policy of democratic transformations. This puts special responsibility on the Russian leaders and state power institutions, including the Federal Security Service. The essence of your work is to ensure the security of individuals, society and the state," said the president.

He reaffirmed the need to reinforce the security services with professionals.

Secretary of the Russian Security Council and presidential national security aide Aleksandr Lebed is attending the meeting.

Russia: Yeltsin Directive on Kremlin Regiment, Commentary Carried

*MM1107154696 Moscow ROSSIYSKAYA GAZETA
in Russian 11 Jul 96 p 5*

[Directive No. 207 of the Russian Federation President "On Incentives for the Personnel of the Presidential Regiment of the Moscow Kremlin Commandant's Office under the Russian Federation Main Protection Directorate," signed by Russian Federation President B. Yeltsin on 29 April 1996; accompanied by commentary by Andrey Sharov; carried under the general headline: "Kremlin Men Keep Up Their Reputation" — from the "Documents" section]

[FBIS Translated Text] In connection with the 60th anniversary of the creation of the Presidential Regiment of the Moscow Kremlin Commandant's Office under the Russian Federation Main Protection Directorate and the great contribution made by its personnel in ensuring the protection of the Moscow Kremlin and other important state facilities, to declare gratitude to the personnel of the Presidential Regiment of the Moscow Kremlin Commandant's Office under the Russian Federation Main Protection Directorate.

[Signed] Russian Federation President B. Yeltsin
[Dated] 29 April 1996
No. 207

[Andrey Sharov commentary] As we know, high-ranking statesmen are protected by special services, and the tradition of surrounding top officials with elite units and subunits has been maintained. Our president also has his regiment, and that is what it is called — the Presidential Regiment. It is quite easy to distinguish the Kremlin men among the extensive military fraternity: the cornflower blue shoulder straps with the two gold letters "P" and a metal badge worn over the breast, comprising a cross in the form of the Kremlin merlons covered with red enamel, in the middle of which are located crossed ambassadorial axes. And also, even if this sounds banal, they can be distinguished by their special build and bearing.

Incidentally, the latter has served as a reason for ridiculous chatter about the "comical masters of the artistic step." But that is just a dilettante view of service in the President's Regiment. They do in fact do a great deal of drill here — three to four hours a day, but, apart from that, the Kremlin regiment has to carry out masses of other tasks. In its structure, the regiment is practically no different from an ordinary motorized rifle unit. The combat training program is also analogous. So that the soldiers in the Presidential Regiment not only have to smooth out the parade ground with their

boots, but also drive vehicles, shoot, and rehearse the tactics of modern-day combat. Plus, naturally, there are the specific tasks, which include intensive guard duty in addition to stepped-up drill exercises. They are busy from dawn to dusk....

Strictly speaking, the regiment was originally formed, in 1936, to protect the Moscow Kremlin facilities. In 1955, the Kremlin was opened up to the public. This made the protection of the most important facilities in the government residence more difficult, and increased the burden on the personnel of the regiment. So there can be no question of an easy life there. In order to dispel another myth about a land of milk and honey, I would say that the soldiers in the Presidential Regiment are fed normal rations, they are not served juice and caviar. Their living conditions are also as ordinary as they could be: two-bunk soldiers' beds in the billets, standard-issue bedside tables and stools — everything as it should be in barracks. Nothing fancy. Except perhaps the permanent exhibition of pictures by artists of the Grekov Studio in the hall of the soldiers' club. But that is in the sphere of spiritual, not bodily, nourishment.

Quite naturally, it is not easy to get into the Presidential Regiment. It has strict requirements, not only as regards health, but also as regards the moral character of the Kremlin regiment candidates. As for the officers, they come here straight after graduating. The regiment does not take anyone on from anywhere else. Incidentally, many representatives of the regiment's command started service here as soldiers. All in all, the Presidential Regiment has gained fame as the forge of cadres for the "power" departments.

Russia: Yeltsin Aide Interviewed on Government Formation

WS1207072596 Warsaw GAZETA WYBORCZA
in Polish 11 Jul 96 p 6

[Interview with Andranik Migranyan, Russian President Boris Yeltsin's aide, by Irena Lewandowska; place and date not given: "What To Do With the Victory"]

[FBIS Translated Text] [Lewandowska] Are you satisfied with the outcome of the elections?

[Migranyan] I am very happy the president has been reelected. The most important thing at the moment, naturally, is to answer the question of what to do with this victory. The problem is that having won the elections, the president has found himself in a very difficult position and a lot depends on the stance he takes on various issues.

First of all, the president traditionally guaranteed and retained a balance of power in his closest environment.

The moment Mikhail Barsukov, Aleksandr Korzhakov, Oleg Soskovets and Pavel Grachev left, that balance was abruptly upset. Second, although the president has won, 30 million people voted for the communists and the patriots. Hence, the question arises of what should be done about the communists, the patriots, and the Duma. To top it all, a completely unpredictable politician with wide social support has suddenly appeared out of nowhere — Aleksandr Lebed. The president's victory is seen not as Boris Yeltsin's victory, but as the victory of the alliance the president formed with General Lebed.

[Lewandowska] Is this actually the case?

[Migranyan] Yes. The president now has the serious dilemma of what to do with Lebed. Should he demonstrate that Lebed made his victory possible or, on the contrary, sidetrack the general and take all the credit? (I won because I won, Lebed did play a role, but it was not decisive for my victory.)

[Lewandowska] Do you not think that if the general is sidetracked, he will be far more dangerous for the president? His supporters voted for Yeltsin in the runoffs. Otherwise, as some analysts point out, Yeltsin would have had a lead over Zyuganov of approximately 5 percent.

[Migranyan] That is why I say that the president has a lot of problems. The future of Russian politics depends on how he solves them — whether stability will set in or will the current tensions become permanent and evolve into neverending conflicts.

[Lewandowska] What is going on in the losers' camp, in the Communist Party?

[Migranyan] Certain splits are already visible, but to my view, a lot depends on what the president does. I think there are two strategies of dealing with the Communists. Some claim that because the victory was so large, the Communists should be alienated and no talks should be entered on letting them into the government. Their party should be completely isolated, perhaps even banned. This would be a preliminary step towards dissolving the Duma. For the time being, Gennadiy Seleznev — the Communist speaker of the Duma — is allegedly going to be replaced. Such are the plans of the radical democrats, who I think are against any coalition or cooperation with the Communists.

There is also another concept, one I find far more appealing. I believe the president's victory is extremely significant. It would be even more significant, however, if a coalition was established which allowed the broadening of the power base. It should consist primarily of General Lebed's supporters. Lebed is currently trying to appoint his henchmen — General Igor Rodionov and

Sergey Glazev — as ministers of defense and the economy.

[Lewandowska] Is this the same General Rodyonov who ordered the KGB military forces to disband a demonstration in Tbilisi in 1989 with tear gas and shovels? As far as I remember, some 20 demonstrators were killed and 140 wounded.

[Migranyan] Yes, he is the one. There is also a project to invite — apart from Lebed's men — moderate communists and patriots into the government so that they could assume partial responsibility for the state. Perhaps this way a split could be brought about within the Communist Party. The moderates could be given some power, and the radicals would be marginalized. Aleksander Lebed is suggesting a similar solution. If this worked out, it would be an even greater victory for Yeltsin than the elections.

[Lewandowska] Do you think this is the only way the Communists can be neutralized?

[Migranyan] We could, of course, simply delegalize their party. Yet it is better to create a situation in which they would fall apart on their own. The problem is not whether we should invite them into a coalition, but whether they would agree to join. After all, they would not only gain a lot of power, but would have tremendous responsibility. If the predictions that the economic situation will continue to deteriorate, that the state financial system is at risk of collapsing, and that economic and social upheavals are ahead, it would naturally be better to have a relatively broad coalition in power — the current opposition would also be responsible as part of the government.

[Lewandowska] You speak of the communist-patriotic opposition, as it calls itself. What about the democratic opposition, for example, Grigoriy Yavlinskiy? Would there be a place for them in the potential coalition?

[Migranyan] First of all, I think Yavlinskiy was inert in carrying out his election campaign. Second, his attitude towards Boris Yeltsin was very unclear, both before the first and the second round of the presidential elections. As an effect, Yavlinskiy has found himself in an extremely difficult position because at the moment he is the great loser — the man who failed in everything. I think there is sufficient ground to presume that Yavlinskiy might find himself on the fringes of the Russian political scene, just like Yegor Gaydar.

[Lewandowska] But Yegor Gaydar continues to be politically active, only in a different way.

[Migranyan] He hardly counts anymore, his Russia's Choice did not make it into the Duma, he netted some

3 percent of support in the parliamentary elections. If that is not at the margin, what is? As for Yavlinskiy, instead of building coalitions or alliances in the course of the presidential elections, he chose to lay down conditions and kept on issuing ultimatums. He demanded a lot, without having much to offer in exchange. He got 7 percent of the vote and yet he demanded the office of prime minister, several ministries, and various dismissals. Perhaps he asked a lot because he hoped he would get at least a fraction, but it seems he overdid it. Prime Minister Chernomyrdin recently asked outright: "Yavlinskiy? What has he achieved so far? Ah, the '500 Day Plan'? I know, we have been through it..."

Having recently gotten rid of Oleg Soskovets, Chernomyrdin will not want anyone who can outshine him at his side. Lebed, having netted nearly 15 percent of the vote, has not actually gained anything so far except for the symbolic position of secretary of the Security Council.

[Lewandowska] But Lebed did not want to be prime minister, at least he never said so.

[Migranyan] He did not say that because it would have made a very bad impression. A general who does not have the slightest idea about the economy cannot be prime minister — that is preposterous. Lebed was aware of that.

[Lewandowska] Yet it is alleged that the general is beginning to fight Chernomyrdin.

[Migranyan] That is very probable because Lebed wants one of his own backers to be the minister of the economy and is suggesting the candidacy of Sergey Glazyev from the Congress of Russian Communities, who is one of Chernomyrdin's staunchest critics. The general is also demanding that the prerogatives of the Security Council be broadened and that it be granted administrative and executive powers in the economy, which implies a direct interference with the prerogatives of the government. He also wants the office of vice president restored — with himself in view, naturally.

[Lewandowska] Perhaps he is asking such a high price so that he can get what he really wants?

[Migranyan] He could get everything — 100 percent, but he began negotiating too late. Now, as the saying goes, how much is a service already rendered worth? Time has run out; there is no reason to pay for it now.

Russia: Cabinet Approves Implementation of Yeltsin's Regional Plans

LD1107125196 Moscow ITAR-TASS in English
1234 GMT 11 Jul 96

[By Gennadiy Yezhov]

[FBIS Transcribed Text] MOSCOW, July 11 (Itar-Tass) — The Russian cabinet which met here on Thursday, approved, on the whole, the implementation of decisions by the Russian president and the government on the social and economic development of Russian regions.

At the same time, first vice-premier Vladimir Kadanikov who chaired the meeting, stressed that active lobbying by local authorities for programmes and decrees on support of regions from the federal budget does not tally sometimes with real possibilities of financing.

Kadannikov also reported that it is planned to spend 55,000 billion roubles in 1996 for federal programmes of support for the social and economic development in localities, which amounts to 13 percent of the budget's outlays. The vice-premier insisted that a proposal to increase these outlays to 25 percent should be rejected.

According to First Deputy Economics Minister Andrey Shapovalyants who delivered a report at the government meeting, "most of partially fulfilled instructions on state support for regions dealt with giving them direct financial aid".

The main reason for the fact that money was not appropriated was that tasks for the current year were included in decrees and government decisions. These tasks provided for additional appropriations after the federal budget was already approved.

The second reason is insufficient receipts of planned revenues to the federal and local budgets as well as real absence of expected non-government sources of financing.

Head of the government office Vladimir Babichev advocated, at the meeting, a partial review of priorities and a decrease in the number of programmes financed from the federal budget.

He stressed that when drafting plans for social and economic support for regions by the state, "it is necessary to make our possibilities commensurate with realities".

Russia: Chernomyrdin Outflanks Lebed in 'Struggle' for Influence

MK1107120996 Moscow NEZAVISIMAYA GAZETA
in Russian 11 Jul 96 p 2

[Article by Ivan Rodin: "Premier and Security Council Secretary Standoff"]

[FBIS Translated Text] Security Council Secretary Aleksandr Lebed could not start productive work because, until yesterday, the Security Council statute he had drafted had not been signed by the president — although he promised to do so several times. It was only yesterday, then, during a working meeting with Lebed, that Yeltsin approved the submitted Security Council statute, its structure and the corresponding documents.

Before yesterday's meeting, the last meeting between Boris Yeltsin and Aleksandr Lebed is known to have taken place last Monday. During it the latter was asked to continue working on the Security Council provisions. Many sources among those surrounding Mr. Lebed, however, vouch that, as early as 2 July, the following promise was made in his conversation with the president: the statute would be signed during a 4 July meeting, despite the fact that at the time it had difficulty getting endorsed in the various departments.

The president did not fulfill the promise on 4 July. The same sources on the team of the Security Council secretary cited Viktor Chernomyrdin's behavior as the reason. The premier, together with the mayor of Moscow, came to Yeltsin on the morning of 4 July to congratulate him on his victory in the elections. The "congratulations" — arranged in accordance with the Russian tradition — lasted a long time, and the Kremlin apparatus talked Mr. Lebed out of trying to see the president.

Such an insignificant incident is rather indicative of the struggle that is being waged almost publicly between the premier and the Security Council secretary over their spheres of influence. It should be noted that, so far, Viktor Chernomyrdin has been getting the upper hand in this struggle. He is weaving his intrigue between the Kremlin and the White House, but its web is also big enough to extend to several other places, such as the Staraya, Arbatskaya, and Lubyanskaya Ploshchads (the Presidential Administration, the Defense Ministry, and the Federal Security Service (FSB)). As a real military man, Aleksandr Lebed figured out that his reserves are clearly inadequate for long maneuvers and flanking movements, for which reason he gambled entirely on a frontal attack of the Kremlin from his Staraya Ploshchad bridgehead. So far, Lebed has been successful, but it is

clearly premature to judge his final victory without an analysis of the draft backed by Yeltsin.

The struggle between the premier and the secretary is also compounded by the fact that the president's apparatus and staff, which usually makes the process of the division of spheres of influence difficult, must at the moment be prostrate with exhaustion. One may also notice that Mr. Lebed is actually never referred to as the presidential national security aide — this must be because such positions do not play too great a role.

Chernomyrdin and Lebed differ not only on conceptual problems; that is, who is going to recommend to the president candidates for what positions or who can meet with the head of state without actually having any prior notice, or who is to be considered the de facto second according to the pecking order, or — and what is more important — who has the apparat experience or political popularity? The two figures representing the two power centers in the presidential entourage also clashed of late over appointing concrete people to concrete posts. Analysts from Mr. Lebed's entourage noted that the new FSB director was appointed the same day Boris Yeltsin had a regular meeting with Viktor Chernomyrdin. While it has not yet been possible to find out Aleksandr Lebed's attitude to the figure of Nikolay Kovalev, the absence of a presidential consultation with the national security aide on such an important personnel question is rather revealing.

One of the rather tough clashes, expected in the near future, is yet to happen. Mr. Lebed has serious obligations to his loyal ally Sergey Glazyev. According to some information, Mr. Chernomyrdin — who regards the young doctor of economic sciences as all but a personal foe — is seriously perturbed by the prospect of Mr. Glazyev's appearance in some influential post in the government, which is one of the ways Mr. Lebed may carry out his obligations. The premier would hate such a possibility: Sergey Glazyev is well known for being a man of principle and, with the help of the Security Council secretary's influence, he could maintain this reputation. However, Mr. Chernomyrdin also resists setting up Mr. Glazyev with another job — his appointment as deputy Security Council secretary for economic security. It must have been for this reason that, in meeting with scholars, economists and bankers on Tuesday, Lebed sought their advice with regard to a candidate to this post. They suggested Vladimir Groshev, Inkombank observer council chairman. Although Aleksandr Lebed has more possibilities of having his way in this matter, he has, nevertheless, so far failed in having his ally appointed.

Despite yesterday's approval of the draft by the president, the outcome of the beginning standoff is far from clear. However, if Chernomyrdin succeeds in coming out on top and becomes the only power center, then the president himself would either have to take the place of a counterbalance, or construct one in a hurry.

Russia: Yeltsin Aide Livshits Hospitalized; Illness 'Not Very Serious'

*MM1107140096 Moscow IZVESTIYA in Russian
12 Jul 96 p 1*

[Report by Vladimir Perekrest: "Aleksandr Livshits Hospitalized"]

[FBIS Translated Text] Last Wednesday [10 July], Aleksandr Livshits, the president's economic aide, was taken to a Moscow clinic. Valentina Kultysheva, the doctor who is keeping Livshits under observation at the polyclinic, has said that the illness is "not very serious" and that the patient will "recover soon."

Russia: Soskovets Reportedly in Hospital With Nervous Breakdown

*LD1107124996 Moscow Radiostantsiya Ekho Moskvy
in Russian 1200 GMT 1200 GMT 11 Jul 96*

[FBIS Translated Text] Our radio station has found out that former First Deputy Prime Minister Oleg Soskovets is in the hospital. He has had a nervous breakdown. Soskovets's aide, Yuriy Mikhaylov, explained this by saying that Soskovets had worked round-the-clock in his government post for three years without having any days off and without taking a holiday.

Russia: Lebed Opposes Force in Chechnya, Condemns Moscow Explosion

*LD1107142996 Moscow Russian Public Television
First Channel Network in Russian
1100 GMT 11 Jul 96*

[From the "Novosti" newscast]

[FBIS Translated Text] It is impermissible to settle the crisis in Chechnya by force of arms and no one should be allowed to do it. Such was the opinion voiced today by Aleksandr Lebed, the secretary of the Russian Security Council. He said that if war was resumed in this North Caucasian republic no-one would then be able to stop it.

Lebed called the ultimatum issued to the Chechen separatists by General Vyacheslav Tikhomirov, commander of the joint grouping of the federal troops, a forced measure. Lebed also reported that at present he was holding

a large number of meetings and consultations with various people on the question of settling the Chechen conflict and that he was getting ready for a visit to Grozny. There were certain preliminary guidelines for resolving the situation and when they took shape he would go on the visit, he said.

[Correspondent Igor Demin] On the whole, Lebed's meeting with journalists today was devoted to the Russian president's two new edicts on immediate measures to strengthen law and order in Moscow and the Moscow region and on the new statute of the country's Security Council. According to the latter, the powers of the secretary of the Security Council have been considerably widened. Now he will carry out documentary checking of how federal power bodies ensure security, and will also table proposals to the president and the Security Council on calling to account their leaders. He will also propose, on the instructions of the president, candidates for the highest state posts.

[Begin Lebed recording] The activities of the Security Council will develop in four main directions — these will be defense security, public safety, economic security, and information security. [end recording]

[Demin] At the request of journalists the Russian president's aide on national security gave his assessment of today's explosion in a bus in Moscow.

[Begin Lebed recording] It is a crazy and ill-conceived act of terrorism aimed at escalating tension in the country and creating a situation of wearing people down in which a person going to work has this sword hanging over him all the time — is there going to be a blast or not? Will there be shooting or not? This is a crazy, aimless act — a charge of [tolite] was simply thrust into a bag. [end recording]

Russia: Lebed Views Moscow Economic Crime Clampdown, Chechnya

MM1107144196 Moscow IZVESTIYA in Russian
12 Jul 96 p 2

[Report by Kirill Svetitskiy: "Russian Security Now Has Four Facets, While the Fight Against Crime Will Begin With Finance. Aleksandr Lebed's Press Conference"]

[FBIS Translated Text] The Security Council is defined as the body that safeguards the president's powers in protecting citizens' rights and freedoms, Security Council Secretary Aleksandr Lebed stated at a press conference devoted to two edicts signed simultaneously by the president the previous day. The first is on the Security Council in Russia. The second is on combating organized crime in Moscow and Moscow Oblast.

The Security Council will be vested with the right to monitor all the organs of executive power — both at federal level and at the level of Federation components. The Security Council secretary personally has also received new powers. In particular, he will now carry out documentary checks on the actions of the federal organs of executive power in safeguarding the country's security. And personally report to the president and the Security Council those officials who should be called to account for poor work.

Aleksandr Lebed named the new main avenues of activity by the Security Council, in accordance with which special analytical and monitoring services will now be set up in the council's apparatus. They are the four aspects of Russia's national security: defense, social, economic, and information. Questions of information security, according to Lebed, are nowadays even more important than defense questions. Concerned journalists inquired whether this means control of the mass media.

"God forbid that I should try to encroach on the freedom of the press!" the Security Council secretary exclaimed. "The free press is perhaps our only gain in recent years."

Concerning the edict on the experiment with the law enforcement agencies in Moscow and Moscow Oblast, Aleksandr Lebed deemed it necessary to report that all the measures will be implemented strictly within the framework of the law. The edict was coordinated with the General Prosecutor's Office, the Federal Security Service, the Ministry of Internal Affairs, the State Taxation Service, the Justice Ministry, the mayor of Moscow, and the oblast governor, and also with the city and oblast courts. Personal responsibility, according to the Security Council secretary, is now vested in all the top people in the said bodies. Work is currently under way in the power structures to set up special staffs.

"We will put an end to the practice of irresponsible curatorship. The strategy for the battle will be as follows: First we will try to extirpate the financial roots of organized crime, then we will move on to corrupt personalities and kingpins of the criminal world," Aleksandr Lebed stated.

In an exclusive interview for IZVESTIYA's correspondent, Aleksandr Lebed noted that during the drafting of the edicts his hair had sometimes stood on end:

"People are kept in detention centers for years in our country just because there's a shortage of investigators. Students work at the prosecutor's office. And what about the judges? The main contingent is women aged 35-45, who receive wages of 200,000. Single women, incidentally. Who's going to marry them, with a crazy job like that? That's why you sometimes get very

strange verdicts. And a judge like that can be intimidated by any kid who rides up in his 'jeep' with a pistol under his arm and a few million in his pocket. Our plan is not crisis action. It is a whole package of measures. Let's try to implement it in Moscow. We need some concrete point from which to launch work across the country."

Nor was there any lack of questions about Chechnya. The general was asked what the connection is between the stepping up of hostilities in Chechnya and the recent participation by Vyacheslav Tikhomirov, commander of the federal forces in the republic, in a Security Council session.

"That's like asking about the influence of the moon on the swinging of a pine cone," Lebed replied in his characteristic style. "Tikhomirov is a well disciplined general. He acted according to the situation. He didn't start it — it was a response to Udugov's ultimatum. As for Yandarbiyev, it would be possible to conduct talks with him. But only on one condition — that he wants peace. If he prefers war, there's nothing to talk about. But I give due warning that nobody is going to stop the army any more."

Russia: Lebed Comments on Fighting Crime in Moscow

LD1107201096 Moscow Russian Television Network
in Russian 1300 GMT 11 Jul 96

[From the "Novosti" newscast]

[FBIS Translated Excerpt] Aleksandr Lebed, the secretary of the Security Council, held a news conference in Moscow today on the theme of the Russian presidential decree on fighting crime in Moscow and Moscow region. [passage omitted]

Aleksandr Lebed does not consider what happened in Moscow today as negligence on the part of the Security Council. He sees its job as eradication rather than prevention.

[Begin Lebed recording] We are not a fire crew, you understand. But I intend to build a system to rule out terrorism and other similar manifestations. [end recording] [passage omitted]

Another document, the presidential decree on urgent action to strengthen law and order and to step up the fight against crime in Moscow and Moscow region, was called by Aleksandr Lebed a well tuned document firmly based in law. The decree contains specific recommendations to the executive bodies and law enforcement agencies. A tight timetable has been set to carry these out. The people compiling the document were probably guided by the awareness that the fish starts rotting from

its head, so Lebed will make a start in Moscow itself in implementing the presidential decree.

[Begin Lebed recording] Wherever extremely dangerous manifestations of organized crime are to be noted, wherever there are numerous instances of organized crime overlapping with the state apparatus and the municipal institutions or law enforcement bodies, right there is the ideal place that the great, long, protracted, arduous work should start. [end recording] [passage omitted]

[Begin Lebed recording] The responsibility for monitoring the implementation of this decree is to be placed with the Secretary of the Security Council, A. I. Lebed. I consider that is quite right. It is time to come down from the plane of officially managing affairs. It is time to start taking responsibility for the activity of everyone in one's own department. [end recording]

Lebed talked to the news conference today about the situation in Chechnya. In the view of the Security Council secretary, the conflict can only be settled by peaceful means, with, however, certain reservations.

[Begin Lebed recording] If the war gets going again then no one will be able to stop. [end recording]

Russia: Lebed News Conference on Crime Reported

LD1107202896 Moscow NTV in Russian
1500 GMT 11 Jul 96

[From the "Segodnya" newscast]

[FBIS Translated Excerpt] The explosion in Moscow today looked as if it was timed to coincide with the publication of the presidential decree on combating crime in Moscow and Moscow region.

Aleksandr Lebed, secretary of the Russian Security Council, and one of those who drew up that decree, commented upon that decree today. This is perhaps that first time that personal responsibility has been set for the implementation of such a document.

Incidentally, it was not just crime which was discussed at Lebed's press conference today. Journalists also wanted to know what the Security Council secretary thought about the latest events in Chechnya.

Here is Aleksey Kondulukov from Lebed's news conference.

[Begin recording] [Lebed] [General Vyacheslav] Tikhomirov is a very controlled man and general. He simply took appropriate measures on the spot and his ultimatum was a consequence of [Chechen press and information minister Movladi] Udugov's ultimatum. He

was not the one who started it. He was simply driven to it, unfortunately.

[Kondulukov] Lebed expressed today this opinion of the latest statements by the commander of the federal forces in Chechnya. The Security Council secretary is not yet in any hurry to put forward his own assessment of the situation in Chechnya and is still busy studying it.

[Lebed] There is already an outline of a solution to this problem. A picture as a whole has not been formed yet. A visit will be made when it has. Certain decisions will be taken and they will be implemented. One thesis has been taken as a basis: the will of the Chechen people was manifested during the recent elections; people are tired of war; that will manifested itself in the election of the head of the republic, of a bicameral parliament. There should be distribution of power to lower down. The people's will may be different in 18 months time. But this is what it is today.

[Kondulukov] Real actions will evidently soon begin to implement the general's views on Chechen and other themes.

Lebed spoke today of decrees signed by the president yesterday. Together these decrees substantially expand the powers of the Security Council secretary, or more precisely, give him real power. That suits Lebed fine. Under the decree on the Security Council he receives, in the first place, the right to carry out a documentary check of the actions of the power-wielding structures and, second, to suggest to the president punishment for those chiefs who fail to cope with guaranteeing security.

Third, the Security Council secretary, on the president's instructions, will provide the president with information on all those who have been recommended for high-ranking state posts.

There will be four directorates in the security council: defense security, public security, economic and information security. Moreover, the Security Council will keep a direct eye on guaranteeing security in the subjects of the federation.

Lebed did not comment in such detail upon the second presidential decree on combating crime in the capital, only noting that it was aimed at undermining the material basis of organized crime and would help to ensure better cooperation between the law enforcement bodies. Lebed stressed that all of these tighter anti-crime measures were within the framework of the already existing laws.

[Lebed] No placing people on trial by three others, no tyranny, no unnecessary shooting. Only the law.

[Kondulukov] Lebed said that the setting up of special headquarters in the power-wielding departments for the implementation of that decree was now under completion. They evidently will be subordinate to the central headquarters under the Security Council. Apart from everything else, that will most likely strengthen the Security Council secretary's position inside the power-wielding structures. Incidentally, specific corruption cases won't be long in coming. Journalists wanted to know what the secretary thought about the recent article in "Novaya Yezhednyevnaya Gazeta" where [Shamil] Tarpishchev, [Aleksandr] Korzhakov, and [Mikhail] Barsukov are accused of criminal actions.

[Lebed] I am familiar with this publication. My commentary is very calm. It is a matter for the general prosecutor's office. The general prosecutor's office is now faced by the need to issue binding invitations to several citizens to attend because they all refuse to show up, giving various specious excuses for their refusal. The general prosecutor is close to making a decision and to instituting criminal proceedings. [passage omitted] [end recording]

Russia: Experts Work on Financial Stabilization, Cabinet Structure

*MK1207054296 Moscow SEGODNYA in Russian
11 Jul 96 p 1*

[Report by Aleksandr Bekker: "The Future of the Cabinet and of Financial Stabilization Is Being Discussed in Volynskoye. The Premier Is Expecting Proposals by 13 July"]

[FBIS Translated Text] Economy Minister Yevgeniy Yasin, who has come back today from an international congress in Salzburg (Austria), is off the plane and into the party. He is to go immediately to Volynskoye, a settlement near Moscow, where two governmental working groups have been toiling hard since Monday [8 July] over a package of proposals on a new structure of the cabinet of ministers and measures of financial stabilization. By Viktor Chernomyrdin's directive, Mr. Yasin has been appointed head of both groups, whose task is to lay all their proposals on the premier's desk by 13 July. This task is so important that even Vladimir Panskov, who had a hypertensive crisis just a few days ago, is going to join the "Volynskoye state thinkers."

The work on the documents in both groups is proceeding in heated discussions. The economic situation is so complicated that, according to a member of one of the groups, it is necessary to "sequester" [as published] electoral promises of the president, since everything cannot be done without an irreparable damage to the budget. At issue is the revision of about 30 edicts on

tax and customs privileges and the abolishment of the salary reservation practices using the "30:70" scheme. It was planned to do three to four months after the election, but experts came to the conclusion that this move cannot be put off. Any emergency measure of fiscal agencies will enhance the receipt of revenues by the treasury, at best, only after 1.5-2 months, whereas money is needed earlier.

Furthermore, the fact that these decisions are expected to provide amounts by an order of magnitude greater than the most serious moves regarding budget revenues also speaks in favor of the need to abolish privileges urgently. True, in both cases, as a Volynskoye expert put it, the effect will depend on an exact combination of "political will and cynicism."

Two approaches clashed in the group working on a package of financial stabilization measures. The Economy Ministry insists that decisions planned by the government for the first half of the year but put off for political reasons in connection with the election should be implemented. This concerns, above all, the imposition of a flexible taxation scheme for "shuttle traders" and importers of liquors and cars. In line with it is the long delayed edict on measures to raise tax collection, whereby legal subjects should have only one account for their deals. If skillfully implemented, this can give to the budget 8-10 trillion rubles a month.

In contrast to this approach, the State Tax Service is putting forward a proposal that, on one hand, partial tax amnesty of enterprises be made in the spirit of the edict of 19 January and, on the other, persistent defaulters "be attacked." The opponents of Vitaliy Artyukhov, head of the State Tax Service, believe that everyone should not be lumped together. They propose that individual negotiations be held between governmental structures and every enterprise, as it was done in the period of reforms in the 1980's in Spain as well as in 1994 by Yevgeniy Saburov, deputy premier of the Crimean government. If it turns out during such a dialogue that the government has failed to fulfill its budgetary or other obligations to a debtor enterprise, it should write off any penalties that have been charged. Those who evade payments into the state treasury deliberately, however, will be treated in a different way.

There is no unanimity in the working group which is to outline the "portrait" of the future cabinet of ministers either. One of the key players in this group is Nikita Maslennikov, an aide to the premier. The arguments in this group boil down to the alternative whether the government should be reorganized into a compact team, as in European cabinets of ministers or the resemblance to former councils of ministers should be retained by

making a merely "cosmetic renovation" of the present cabinet. The first approach, allegedly having been put forward by the Economy Ministry, envisions giving up the sectoral management of the economy. Of the 97 ministries and agencies in operation at present, it is proposed that 20-22 — such as the Communications Ministry, the Agriculture Ministry, and the Railroads Ministry — be retained in the government. An overwhelming majority of other ministries and agencies, including such giants as the Fuel and Energy Ministry and the State Metallurgy Committee, will be incorporated in the Economy Ministry in the form of management companies, traditional for the West.

As for the top of the cabinet, the premier will have one or two first deputies and 20-22 federal ministers to be appointed by him. In fact, they will be top-ranking politicians who will set the direction and the strategy of work of their ministries. Within these ministries, all current work, as in the U.K., will be performed by ministers or state secretaries.

To counterbalance the "extremist" — as a participant in the Volynskoye "powwow" put it — proposal of the Economy Ministry, a group of experts previously close to Oleg Soskovets is preparing its proposals whereby the sectoral structure of the cabinet is to be retained in general. This group expects to implement its approach through Oleg Lobov.

Russia: Tarpishchev, Korzhakov, Others Under Investigation

LD1107125896 Moscow Radiostantsiya Ekho Moskvy in Russian 1200 GMT 11 Jul 96

[FBIS Translated Text] The Russian Prosecutor General's Office is to institute criminal proceedings against Sports Minister Shamil Tarpishchev and also Aleksandr Korzhakov, Mikhail Barsukov, and Oleg Soskovets. This was announced by Aleksandr Lebed, quoted by the Prime [as heard] agency.

That was how the secretary of the Security Council commented on material in the daily NOVAYA GAZETA, which accused those people of corruption.

Military & Nuclear Issues

Russia: Yeltsin Considers Military Command Reform in Far East

LD1207083596 Moscow ITAR-TASS in English 0800 GMT 12 Jul 96

[FBIS Transcribed Text] MOSCOW July 12 (Itar-Tass) — President Boris Yeltsin met commander of the Far Eastern military district Viktor Chechevatov on Friday

to consider "prospects of reforming the system of military command of the troops in the Far East", the press service of the head of state reported, but did not elaborate.

It was not clear whether the meeting was in any way linked to Russian plans to cut its military presence on the south Kuril islands claimed by Japan.

A spokesman of the Defence ministry refused to confirm or deny the existence of any concrete plans of reducing Russian troops on the islands.

"The given issue is political and is being solved by politicians — the leaders of the state", he told Tass on Friday.

Russian deputy Foreign minister Aleksandr Panov told Tass this week that Moscow was planning to "reduce its military presence" on the four disputed islands and promote joint economic activities with Japan there.

At present 3,500 Russian troops are deployed on the islands of Shikotan, Kunashir, Iturup and Habomai.

Russia: Chernomyrdin Demands Solution to Army Financing Problems

*LD1107130996 Moscow INTERFAX in English
1243 GMT 11 Jul 96*

[FBIS Transcribed Text] MOSCOW, July 11 (Interfax) — Prime Minister Viktor Chernomyrdin has instructed the Finance Ministry to immediately resolve the crisis in financing the armed forces and other power bodies.

His press secretary Viktor Konnov told Interfax the decision was made after a Thursday meeting in Moscow with acting Defense Minister Mikhail Kolesnikov and Deputy Defense Minister Andrey Kokoshin.

The ministry officials submitted a report to Chernomyrdin on the acute financing problems of the army.

The head of the government accounted the difficulties in paying allowances to considerable revenue shortages and the need for the emergency payment of pensions and some other social benefits.

According to Konnov, the Finance Ministry promised to transfer funds to the Defense Ministry in two or three days.

Russia: Kobets, Rodionov Seen Losing Out in Fight To Head MoD

*MK1207114896 Moscow MOSKOVSKIY
KOMSOMOLET in Russian 12 Jul 96 pp 1-2*

[Report by Nikolay Semenov: "Ten Black Boys Went To Swim in the Sea [literary allusion]. The Defense

Minister Will Be Not the One Who Is Chosen, But the One Who Survives"]

[FBIS Translated Text] Gen. Rokhlin's invective in the Duma, observers were quick to point out, had a tinge of mystery about it. Why did Rokhlin attack Kobets? And why now, when the question of whom to appoint defense minister is being decided? In fact, when addressing the journalists, Rokhlin indicated that the point was not so much that he had gotten sick of the corruption in the Defense Ministry, but that he was categorically opposed to Kobets becoming head of the military department. And that he wants the minister's post to be offered to Col. Gen. Rodionov, a man "with extensive practical and theoretical experience."

At this point everybody was even more surprised. Grachev noted that Rokhlin had never worked with Rodionov and cannot possibly know what kind of person he is. Kobets said bluntly: Lev Yakovlevich [Rokhlin] was set up. There is a dark force that issued an order to down Kobets and to up Rodionov.

Everybody started wondering what this dark force could be. Suspicion fell on Lebed because he is very fond of Gen. Rodionov, proclaiming this from the rooftops. Yet, contrary to expectations, Lebed took a restrained line, did not support Rokhlin, and, moreover, pointed out that the compromising material against Kobets and the Lyukon company is not convincing enough.

The dark force directing Rokhlin became even darker.

We searched for the dark force, but have thus far discovered only one more or less plausible theory explaining its origin.

As is known, the entire military department consists of "families" or "teams" of several key military officials. Some "teams" are larger and more powerful, while others are smaller and weaker. One of the most successful and diversified "families" is that of Mikhail Kolesnikov, chief of the General Staff. Kolesnikov backed Rokhlin and helped him to move up the career ladder, and when an opportunity presented itself, he used his influence and Grachev's capabilities to land Rokhlin in the post of Duma Defense Committee chairman.

After Grachev's resignation Kolesnikov's position became as bad as could be. The outlook was bleak because none of the candidate ministers, if appointed, would leave Kolesnikov as chief of the General Staff. None — except for Gen. Rodionov, Kolesnikov's close friend, while their real families maintain friendly relations.

Lebed's protege suited the chief of the General Staff on all counts, but last week, unexpectedly, Kobets walked

onto the stage — with "material" against Gen. Rodionov. True, that "material," unlike Rokhlin's, looked far more impressive. It was in fact perfectly true, taken from General Staff reports on the war in Afghanistan, where during the year when Rodionov was commander of the 40th Army, our troops sustained the heaviest losses — in killed, wounded, sick, and "non-combat" casualties, let alone the colossal amounts of lost armor, helicopters, and aircraft. That "material" also tells of the entrenching tools that Rodionov's subordinates used to disperse a rally in Tbilisi, as well as his statement on that count at the Supreme Soviet, where he explained that the rally had to be broken up because the Georgians were carrying slogans: "Down with the Communists!"

Eventually, Rodionov's candidacy receded into the background, but, on the other hand, Kobets' assumed a higher profile. And at this point Rokhlin comes out with his statement.... Now it seems that both have fallen by the wayside. In any event, according to our sources at the General Staff, on Wednesday, Gen. Kolesnikov offered his resignation.

That's it. Everybody has been strangled. Meanwhile there were at least 10 candidates. Who is left? Nikolayev? If he becomes a minister after all, this would mean that there was nobody left to strangle him. Nobody left at all....

Russia: Media Commission Concludes Nevzorov Programs Discredit Army

LD1107140196 Moscow Radio Rossii Network
in Russian 1300 GMT 11 Jul 96

[FBIS Translated Text] The judicial chamber for media disputes has decided to send the materials of the television programs made by journalist Aleksandr Nevzorov about Chechnya to the Russian prosecutor general's office. As reported by our correspondent, at today's meeting, the members of the chamber reached the conclusion that these programs discredit the army and that their author relishes reporting on cruelty while abusing freedom of the media.

Russia: Yeltsin Signs Edict on Nuclear Power Safety Guarantees

MM1107132696 Moscow ROSSIYSKAYA GAZETA
in Russian 10 Jul 96 p 4

[Russian Federation Presidential Edict No. 1012 "On Guarantees of the Safe and Stable Operation of Russian Federation Nuclear Power Engineering" — from "Documents" section]

[FBIS Translated Text] With a view to ensuring state guarantees for the safe and stable operation of Russian Federation nuclear power engineering I decree that:

1. The ensuring of the safe and stable operation of nuclear electric power stations and the organizations which operate them be deemed a priority avenue of the development of the Russian Federation's economy.

2. The "YeES Rossii" Russian joint-stock company be exempted from the mandatory sale of currency proceeds received in 1996-1997 from the export of electricity (services) supplied by the "Rosenergoatom" concern and nuclear electric power stations with a view to the "YeES Rossii" Russian joint-stock company channeling these currency funds to the above-mentioned suppliers of electricity (services) to increase their safe operation.

The size of the currency proceeds channeled into these purposes is established in proportion to the share of the delivery of electricity (capacity) by the "Rosenergoatom" concern and the nuclear electric power stations to the federal (all-Russia) wholesale electricity (capacity) market.

The monitoring of the use of these currency funds for their intended purpose is to be assigned to the Russian federal service for currency and export control.

3. The Russian Federation Government must:

elaborate and approve by 1 September 1996 the basic principles for the operation of the federal (all-Russia) wholesale electricity (capacity) market, determining inter alia the mechanism for implementing schemes for direct payments directly from energy-intensive consumers of electricity to electric power stations, primarily nuclear electric power stations, supplying electricity to this wholesale market. It must establish that the list of these consumers is approved by the Russian Federation Government;

provide as of 1 January 1997 with a view to ensuring the reliable and safe operation and development of nuclear electric power stations in accordance with point 3 of the 8 May 1996 Russian Federation presidential edict no. 685 "on the basic avenues of tax reform in the Russian Federation and measures to consolidate tax and payments discipline" a reduction in expenditure not related to the prime cost of the electricity (services) generated by nuclear electric power stations supplied by the "Rosenergoatom" concern connected with the implementation of operations to ensure the reliable and safe operation of nuclear electric power stations;

elaborate in the third quarter of 1996 the procedure for forming and using, in accordance with article 34 of the federal law "on the use of nuclear energy," an emergency fund to finance expenditure connected with the decommissioning of nuclear devices, radiation sources, and storage centers and to finance scientific

research and experimental design work to enhance these facilities' safety;

implement within the established procedure the provision of state guarantees to the "Rosenergoatom" concern and the nuclear electric power stations with a view to attracting foreign investors to ensure their safety;

bring the normative acts of the Russian Federation Government into line with this edict.

[Signed] Russian Federation President B. Yeltsin
[Dated] Moscow, Kremlin, 2 July 1996

Federal Assembly

Russia: Duma Changes Schedule To Attend President's Inauguration

LD1207093096 Moscow INTERFAX in English
0913 GMT 12 Jul 96

[FBIS Transcribed Text] MOSCOW, July 12 (Interfax) — The Russian State Duma Friday approved changes in its schedule so as to attend Russian President Boris Yeltsin's inauguration ceremony and debate the candidate for the post of prime minister.

With 361 votes in favor, it decided that following the July 19 session the MPs will go to their constituencies, to return to Moscow on August 9 in order to attend the president's inauguration ceremony and to set the date for an emergency meeting which will debate the nominee for prime minister.

The date of that meeting will depend on whether the president makes the nomination immediately after the ceremony or does so within the 14 days allowed by the law.

The Duma had sent a letter to the president asking him to nominate the prime minister as soon as possible. The session might take place immediately after the ceremony.

Following this, the Duma will take a 40-day vacation.

Russia: Yabloko's Duma Faction Demands End to Fighting in Chechnya

LD1207095096 Moscow INTERFAX in English
0930 GMT 12 Jul 96

[FBIS Transcribed Text] MOSCOW, July 12 (Interfax) — The Yabloko faction in the State Duma has demanded a halt to offensive operations in Chechnya and a resumption of the peace process.

"Only very naive people will believe that the resumption of combat operations in Chechnya was the improvisation of the generals leading the federal forces in Chechnya," the Yabloko faction said in a statement on Friday.

Yabloko said that either the president deliberately violated his election pledges or that he does not control the Cabinet and the General Staff.

Either option casts a long shadow over the country's political future and undermines confidence in fundamental government institutions, the faction said.

Russia: Duma Fails To Overcome Veto on Land Code

LD1207090196 Moscow INTERFAX in English
0837 GMT 12 Jul 96

[FBIS Transcribed Text] MOSCOW, July 12 (Interfax) — The Russian State Duma failed to overcome veto of the parliament's upper chamber (the Federation Council) on the Land Code Friday.

A total of 269 deputies voted for repeated adoption of the Land Code which does not allow private property on arable lands (the quorum is 300). Fifty three deputies voted against, and three abstained.

Factions of the Russian Communist Party, the Liberal-Democratic Party, the Agrarian faction and the Popular Rule bloc insisted on the adoption of the Land Code in its previous edition without due account of proposals of the Federation Council. The Our Home is Russia faction, Yabloko and the majority of deputies from the Russian Regions group objected to this.

The major reason for the Federation Council's return of the code to the State Duma was its disagreement with the lack of a constitutional norm on private property to all types of land lots, including arable lands.

The Duma decided to form a parliamentary conciliatory commission to upgrade the code. This proposal was supported by 327 deputies, three voted against and one abstained. Several deputies said the conciliatory commission can hardly reach a compromise because the two chambers have opposite views on the key issue of the Land Code.

Regional Affairs

Russia: Zavgayev Chairs Emergency Meeting of Chechen Government

LD1207094996 Moscow INTERFAX in English
0931 GMT 12 Jul 96

[FBIS Transcribed Text] GROZNY, July 12 (Interfax) — The Moscow-backed government of Chechnya held an emergency meeting chaired by the republic's head, Doku Zavgayev, to discuss the situation in various parts of Chechnya.

The government discussed the situation in and around the villages of Gekhi and Makhkety, where large scale-fighting has resulted in civilian casualties, Zavgayev told Interfax after the meeting. The government also wants to bring tension under control in numerous other parts of Chechnya.

Zavgayev said that contacts with the separatists had to be continued and that he was prepared to meet with them.

Abdula Bugayev, deputy prime minister of Chechnya, told Interfax that a government delegation had agreed with the federal commanders in Makhkety that civilians will be allowed to leave the village.

There are just over 4,000 permanent residents in Makhkety, but quite a few young people are now spending their vacations with their families there, he said. "We want to take the people out of there to avoid casualties in the case of the federal artillery shelling the village," Bugayev said.

Saidasan Tuzayev, administration head of the southern Shatoy district, dismissed reports of a deteriorating situation there. The situation is under control, he told Interfax. What worries him is that the federal troops have blocked the roads into the village of Ulus-Kert near the Chechen capital of Grozny. Some local residents preferred to leave their homes, he said.

Russia: Mikhaylov: All Sides Responsible for Chechen Peace Collapse

LD1207090796 Moscow INTERFAX in English 0848 GMT 12 Jul 96

[FBIS Transcribed Text] MOSCOW, July 12 (Interfax) — Russian Minister of Nationalities Viktor Mikhaylov, the head of the federal delegation to talks with the Chechen separatists, believes all parties to the Chechen conflict are responsible for the non-fulfillment of the Moscow and Nazran peace agreements on Chechnya.

He told teachers from Chechnya on Friday that Russian President Boris Yeltsin and Prime Minister Viktor Chernomyrdin "are doing their best to stop the war in Chechnya."

He thinks the key condition to stop hostilities in the Chechen republic is zones of responsibility to be introduced simultaneously with the withdrawal of federal troops from Chechnya and the disarmament of local residents.

"The withdrawal of Defense Ministry troops from Chechnya before September 1, in accordance with the presidential decree, is possible only if the republic is demilitarized," said Mikhaylov.

He said the working groups for the exchange of detained persons are keeping in contact with each other. "I am sure we will soon have an exchange on the all-for-all principle," he said.

The federal authorities are paying much attention to social and economic development of Chechnya, he said. A federal program is being prepared to ensure a reform of Chechen agriculture and industry. "It is most important to create jobs, this is the priority task in peaceful settlement," said the minister. About 2,000 graduates of Chechen high schools will apply to study at Russian higher educational establishments this year, noted Mikhaylov.

Russia: Russian Forces in Chechnya Deny Order To Seize Yandarbiyev

LD1007152396 Moscow ITAR-TASS World Service in Russian 1445 GMT 10 Jul 96

[By ITAR-TASS correspondent Nikolay Zagnoyko]

[FBIS Translated Text] Grozny, 10 Jul (Itar-Tass) — The federal forces in Chechnya have not been given order to arrest Zelimkhan Yandarbiyev. They have been ordered only to seal off the village in which the headquarters of the separatist leader is situated, Igor Melnikov, new head of the press center of the joint group of federal forces in Chechnya, told ITAR-TASS. He thereby denied earlier reports which quoted him as saying that the arrest of Dzhokhar Dudayev's successor has been sanctioned.

"The village of Makhkety has been sealed off by troops, and pinpoint strikes are being delivered at the buildings where, according to intelligence data, Yandarbiyev has his headquarters," he said. He said these actions do not violate the accords achieved earlier between the leaders of the armed opposition and the federal center but are only a response to the criminal actions by the bandit formations which are violating the accords.

Russia: Military's Role in Renewed Chechen War Defended

MM1207103896 Moscow KRASNAYA ZVEZDA in Russian 12 Jul 96 p 3

[Article by Oleg Andreyev: "Two Paths to Peace and Order in Chechnya. It Is Not Too Late To Choose a Less Bloody Path and Sit Down at the Negotiating Table"]

[FBIS Translated Text] Recent events in Chechnya prompted State Duma deputies to invite Viktor Chernomyrdin to one of their sessions in the very near future. They are expecting to get the most authoritative explanation from him. The question we know, of course —

what is happening on the so-called Caucasus front, is it war again?... Actually, the government head has already assured the public that we will not allow any wide-scale war and the peace accords remain in force.

So we have a course toward peace?... But the Chechen pictures we have been seeing on television screens of late lead to very different conclusions. The commentators accompanying them merely serve to confirm the worst fears. Particularly as most of the accompanying texts are frankly polarized, and not in favor of the federal forces, of course. Army losses are meticulously calculated, details are given of losses among the civilian population, and practically nothing is said about the armed separatists. As if they did not exist at all, as if they army was actually fighting against women, old people, and minors.

...It is a familiar ploy. Dirty, but effective, virtually certain to attain the main goal — instill anxiety in the hearts of soldiers' mothers and cause public outrage... It is as if the armed separatist formations headed by the notorious Aslan Maskhadov, chief of the main staff of these very formations, did not actually exist, as if no one was firing at fortified checkpoints, exploding mines on highways, and taking hostages. Here is the score for just the past 24 hours: There were 19 bombardments, 23 servicemen were wounded and five were killed, in Grozny itself two large explosive devices were found and an entire arsenal of ammunition of various kinds. In my opinion the fact that during the operation in the village of Gekhi eight servicemen were killed and 36 wounded requires no comment. Anyone can see that this was not done by civilians. Why innocent residents are suddenly again in the line of fire is quite a different question. Actually, there is an answer to that, a very clear answer. Because the separatists prefer to fight in population centers, using a human shield, so to speak. This they have already demonstrated in Budennovsk, and in Kizlyar, indeed in many Chechen population centers. But you would be very wrong to suppose that these casualties are accidental or futile. The separatists need these casualties for another war which has continued without respite in parallel with the combat actions — the political war.

Nonetheless, the best war is a war that is over. But, as we know, wars end in only two ways — either at the negotiating table or on the battlefield, but then it is a fight to the last.... Preliminary talks with the Chechen separatist leadership have already been held, repeatedly. Not once has the opposing side fulfilled the terms of the truce. Not once. On each occasion the military has paid in blood for the gullibility of our politicians and our overly naive peacemakers. But we must feel pity for our soldiers when all is said and done... That

is why Lieutenant General Vyacheslav Tikhomirov, commander of the federal grouping of forces, made his pretty tough statement, that is why measures, described as appropriate, were adopted.

But by and large it was the separatists who set the tone of the contacts with the authorities. Nonetheless, it is still possible to choose a less bloody path to the establishment of peace in the Chechen Republic. You might say the negotiating table has been set up and what we must do now is pull out the chairs....

Russia: Interior Minister Calls For All-Chechen Peace Talks

*LD1207120896 Moscow ITAR-TASS in English
1243 GMT 12 Jul 96*

[By Nikolay Zagnoyko]

[FBIS Transcribed Text] GROZNY July 12 (Itar-Tass) — Russian Interior minister Anatoliy Kulikov believes talks with Chechen separatists should not be ruled out, however, pro-Moscow Chechen authorities should participate in them. "It would be wrong to deny the necessity of negotiations with the separatists, but the negotiating field should be expanded", he told press conference in Grozny on Friday. "It is necessary to make more active the role of the Chechen government, of the newly elected bodies of power of the republic", the minister added.

The minister denied rumours that Chechen separatist leader Dzhokhar Dudayev was alive. "Dzhokhar Dudayev is dead", he said. Kulikov also rejected claims that the situation in Chechnya was out of control at present and said it was "necessary to make the search for ways out of the crisis more active".

The minister said he had arrived in Chechnya to analyse the situation and "design new tactics according to new information". He would submit his proposals to the State commission on the Chechen settlement which is due to meet next week.

Kulikov denied allegations that his trip to Chechnya was linked to the upcoming visit there by secretary of the Security Council Aleksandr Lebed. He said a "coordinating centre" had been set up in Grozny which is headed by a deputy Interior minister. It would provide assistance to local law enforcement agencies in ensuring order in the republic.

Russia: Kulikov Holds Conference in Grozny on Military Situation

LD1107124896 Moscow INTERFAX in English
1232 GMT 11 Jul 96

[FBIS Transcribed Text] GROZNY, July 11 (Interfax) — Russian Interior Minister Anatoliy Kulikov arrived in the Chechen capital of Grozny Thursday afternoon to hold a conference in the federal headquarters.

The conference, attended by senior federal officers in Chechnya, focused on the general military and political situation and a complex of measures to ensure security in the republic.

The commander of the federal troops in Chechnya, Lt. Gen. Vyacheslav Tikhomirov, briefed Kulikov on the latest events in the village of Gekhi, which recently came under attack by the federal forces, and other villages in the south of the republic.

Kulikov's trip was designed to look into the situation on the spot and prepare the future visit of Security Council Secretary Aleksandr Lebed to the republic.

Russia: Zorin: New Approaches to Peace Talks in Chechnya Needed

LD1107182896 Moscow ITAR-TASS in English
1805 GMT 11 Jul 96

[By Ivan Novikov and Nikolay Zagnoyko]

[FBIS Transcribed Text] MOSCOW/GROZNY, July 11 (Itar-Tass) — While the commanders of the federal and separatist forces in Chechnya, General Vyacheslav Tikhomirov and Zelimkhan Yandarbiyev are reportedly prepared to resume contacts and negotiations, head of the State Duma Committee on Nationalities Vladimir Zorin said the new situation in Chechnya engendered by the resumption of large-scale fighting in the republic required correctives to be made in the approaches to the settlement of the Chechen crisis.

Zorin said that he personally "remains an advocate of the peaceful settlement of the Chechen crisis," and promised to "keep to the spirit and the letter of the earlier adopted plan," of which "effective talks are an important component."

Zorin said the State Commission on the settlement would meet on July 16 to examine the new situation in Chechnya and its influence of prospects for further talks with the separatists.

Federal Security Force commander Vyacheslav Tikhomirov said in Grozny today that he was "ready for contacts with the other side but only for constructive contacts and only with those who can keep their word."

Tikhomirov was speaking after a working meeting in the federal staff building with representative of the Russian federal government in the Chechen republic Akmal Saidov, OSCE [Organization for Security and Cooperation in Europe] mission head Tim Guildimann, and leader of the working group in charge of tracing missing and forcibly held persons Major-General Nikolay Bezborodov.

The participants in the meeting arrived at the conclusion that potential for the intra-Chechen dialogue has not been exhausted and the situation remained complicated but not hopeless.

Tim Guildimann said it was necessary for the combatants on both sides to calm down and to sit down at the negotiating table. According to him. The separatist leader Yandarbiyev was also ready for negotiations.

The Commission on exchanges of forcibly held persons is due to meet on Friday, July 11, and there is hope that an exchange of groups of hostages will take place during the meeting.

Russia: Claim of Financing Chechnya Rebels Defended

MM1207090196 Moscow IZVESTIYA in Russian
9 Jul 96 p 2

[Article by Maks Khazin: "'Second Front' of Caucasus War and Russian Banks Shifts to Court of Arbitration"]

[FBIS Translated Text] The publication of V. Belykh's article "Second Front of the Caucasus War" (IZVESTIYA No. 85, 12 May 1996) has had an unexpected sequel. The management of the "Gagarinskiy" commercial bank sued the newspaper's editorial office to protect its business reputation, angrily denying information to the effect that the bank is controlled by Chechen-Ingush groupings and could be involved in transferring money for the needs of illegal armed formations.

But this information appeared in the paper not as a result of its own investigation, as is often the case; it was derived from a secret Russian Federation Federal Security Service [FSB] survey, which is actually stated in the article itself and in the analysis of reactions to it ("'Second Front' of Russian Banks," IZVESTIYA No. 91, 18 May 1996). But when a representative of the editorial board submitted this document during the arbitration proceedings, when they began, the judge refused even to look at it: Apparently, she had no clearance to work with secret information. The hearing was postponed and it will be transferred to another judge, who has clearance. But the bank's representative was able to announce that he would provide the court with certified information from

the FSB that the aforementioned secret document was not handed over to the editorial board.

That would be extremely interesting, because it means the FSB itself is suggesting that the document was stolen from it, if not by CIA functionaries, then certainly by Dudayevite special services. No wonder the Dudayevites, at every convenient (and inconvenient too) opportunity, boast of having "their people" everywhere....

Actually, that would be the second hypothesis about the secret document. The first was articulated by the INTERFAX agency — the FSB has never ever prepared such a document, apparently. In other words, it was a forgery planted on IZVESTIYA. We are finding it difficult to resist the temptation to reproduce facsimile resolutions signed by an FSB boss and also evidence of the actual survey's agency registration and of the accompanying letter. We are sure that the author of the resolutions and the addressees will immediately recognize the hand and the familiar signature, as well as the signature of Kravynov, head of the Russian FSB Operations Control Group for the North Caucasus.

Incidentally, we have also heard it said that it was the FSK [Federal Counterintelligence Service] that initiated the publications by way of self-publicity, that is, to give the impression that it was fully informed about what is happening in the country. But that is not so. IZVESTIYA would never be anyone's pawn, certainly as far as the special services are concerned. For a long time we have been developing the theme of shady financing of and material provision for the armed formations in Chechnya, without which the war would have come to its logical conclusion a long time ago. Therefore, the notorious secret document fitted the bill, so to speak.

We regard secret (particularly top-secret) information with the utmost respect and would never disclose it, if it meant actually infringing state interests and causing them appreciable harm. But the information that was made public is not in that category. In fact, it answers many perplexing questions to which society has been seeking answers these 18 months.

As for the authors of the document, they will have to deny authorship (unless they change their minds) in court. I fear that will be rather difficult....

Russia: Abducted Grozny District Official Found Dead

LD1107132696 Moscow ITAR-TASS in English
1258 GMT 11 Jul 96

[By Nikolay Zagnoyko]

[FBIS Transcribed Text] GROZNYI July 11 (Itar-Tass) — Lyudmila Radimushkina, the head of the administration of central Leninskiy district of Grozny, was found dead near the settlement of Gekhi on Thursday.

Spokesman of the Russian government mission in Chechnya Vasily Vlasenko told Tass that Radimushkina, who was kidnapped by the militants in broad daylight in Grozny on July 7, had been shot dead by the separatists.

It is believed that the execution of Radimushkina was a revenge of the separatists for the death of field commander Doka Makhayev and his relatives who were killed in a clash with Russian troops near Gekhi on Thursday.

When federal troops commander Vyacheslav Tikhomirov issued an ultimatum to the separatists on Monday, he demanded to free Radimushkina in the first place.

Russia: Chechnya Goes 'Back to 1994' as Authorities Battle for Prestige

MM1107154796 Moscow IZVESTIYA in Russian
12 Jul 96 p 1

["Rapid Analysis" article by Otto Latsis: "Chechnya: Taking Us Back to 1994"]

[FBIS Translated Text] My worst fears are being realized: As soon as the presidential election is over, the peace agreements on Chechnya are in danger of disruption. The reports from the trouble spots are depressingly similar to all that we were hearing more than 18 months ago: blockaded settlements no one can get out of, "precision strikes" by artillery and aircraft, reducing these settlements to ruins, and mutual recriminations by the sides.

Before the election Zelimkhan Yandarbiyev was received in the Kremlin and acknowledged as a party to the talks. Today the settlement containing his headquarters is blockaded and the headquarters is facing "precision strikes." Premier Viktor Chernomyrdin said on this subject: The president's plan for a peace settlement has not been disrupted — they have merely been "bringing some of the wilder gunmen to their senses." General Tikhomirov's vocabulary was more formal: not "bringing them to their senses," but "adopting appropriate

measures." To interpret, "appropriate measures" means the use of firearms, "increasing as we go along." Reported losses are increasing. Six killed and 32 wounded in the federal forces, then eight and 36. Some 15 civilians killed, including children; then 20. Where do we stop?

They say that the separatists are to blame for everything, they have violated the agreements. That is certainly true. But didn't they violate them before the election? Or during the talks did no one in the Kremlin realize that in such a war you will always have people violating agreements? Does it make it easier for the mothers of the dead on both sides if they know that it is not Tikhomirov, but Yandarbiyev, Basayev, or someone else who is responsible for their children's deaths?

No matter who is guilty, one thing is clear: The federal authorities are prepared to return to the impasse they were in for 18 months, to return after it has been firmly established that it is an impasse and offers no way out.

After December 1994 we had terrible experiences and suffered massive casualties and disappointments. Who is taking us back to the start of that road, and why? Pavel Grachev and the others who promised a quick, easy victory at the time are not in their old jobs any more. But the forces who pass off their bellicosity as a guarantee of greater prestige for the Russian authorities and Russian armed forces are still there. In fact, all they are concerned about is their own selfish interests and the struggle for this or that position. Make no mistake: No matter what generals you see making statements on television, what is at stake in this struggle is the authority and political future primarily of Boris Yeltsin and Aleksandr Lebed.

Do they want to associate Yeltsin with new bloodshed? Do they want to give Lebed the opportunity to come a cropper there, as others have done? That is their problem. Russian has one problem, which is to stop the war.

Economic Issues

Russia: Central Bank Senior Official Denies Crisis Looming

*LD1107123596 Moscow ITAR-TASS in English
1216 GMT 11 Jul 96*

[FBIS Transcribed Text] MOSCOW, July 11 (Itar-Tass) — Aleksandr Khandruev, First Deputy Chairman of the Russian central Bank, said in an interview with the Prime news agency that he did not regard the current situation in the Russian banking sector as the beginning of a system crisis.

However, if big commercial banks prove unable for a long time to stabilise their situation, it may create this very kind of crisis. Khandruev pointed out that "at present not big, but medium commercial banks feel more comfortable."

In his opinion, the current tension in the banking system is the result of several factors.

On the one hand, he continued, some banks are pursuing a risky policy. One could expect the emergence of problems, taking into account the fact that, according to the results of the year, the total profits of Russian commercial banks amounted to 18 trillion roubles, while total spendings — to 20 trillion roubles. This means two trillion roubles of losses.

On the other hand, the current unfavourable macroeconomic situation worsened the situation in the banking sector.

According to Khandruev, the spreading of rumours about a difficult situation of this or that crediting institution is another factor influencing the situation in the banking sector. "I do not know who is actively heightening tension around Inkombank, but, in my opinion, it is dishonest," he said.

Russia: Central Bank Withdraws Licenses From 145 Banks

*LD1107141396 Moscow ITAR-TASS in English
1332 GMT 11 Jul 96*

[By Aleksandr Samozhnev]

[FBIS Transcribed Text] MOSCOW, July 11 (Itar-Tass) — The Russian Central Bank withdrew licenses for banking from 145 commercial lending organisations in the first six months of this year, bringing the total number of disenfranchised banks to 463 since 1991.

As of July 1, 1996 Russian had 2,605 registered banks, according to Irina Sedova, a deputy director of one of the Central Bank departments.

Sedova was speaking at an international conference which opened in Moscow today to discuss "Russian banks: en route to financial stability" on the initiative of the Adam Smith institute.

According to Sedova, the results of work for 1995 showed that the time of easy profit-making is over for commercial banks. Only banks that are capable of long-term planning of their activity will survive on the market, she said.

Among the causes of the worsening of the financial situation of some banks were the lack of access to the low-cost centralised loans which were made easily

available in 1992 and 1993, the introduction of a currency corridor, and the curbing of the inflation growth rate.

Irina Sedova said the Central Bank was worried by the growth in the number of loss-making lending organisations in the country's complicated economic situation. The terms of loan repayment have not been met in 8 percent of cases this year, and in some regions of the country, up to 20 percent of loan repayments were overdue.

But it would be wrong to say that the country's banking system has plunged into a "dangerous zone," Sedova said. According to her, almost 70 percent of the Russian banks had met the stringent Central Bank requirements by July 1.

**Russia: No 'Chain Reaction' Likely After
Tveruniversalbank Failure**

MM1107155996 Moscow ROSSIYSKAYA GAZETA
in Russian 11 Jul 96 p 2

[Report by Aleksandr Belichenkov under the "Topic of the Day" rubric: "Will There Be a 'Domino Effect'?"]

[FBIS Translated Excerpt] The Central Bank's rapid and decisive measures with regard to the widely known Tveruniversalbank, which is experiencing serious difficulties over servicing client payments, permit one to assume that a "chain reaction" will not ensue in the banking world.

As is well known, from 8 July the Central Bank of Russia placed Tveruniversalbank under provisional management headed by Sergey Panov, leader of a Central Bank department. [passage omitted]

The example of Tveruniversalbank is instructive for two reasons. The banking community is already vigorously discussing the question of the need to introduce norms for banks defining the maximum size of "passive" assets, which do not create profits (buildings, installations, communications, and so forth). And this question will undoubtedly be resolved. At the same time, the long and so far fruitless discussions on the legislative regulation of the bill of exchange market created a major precedent in the form of a "bill of exchange pyramid," whose liquidity proved extremely low as soon as it ran into the first serious hitch. One would not want a crisis in one bank to discredit the entire system of the circulation of bills of exchange. Finally, those who have been keeping bills of exchange in constant circulation will suffer less, while those who hung on to bills of exchange as securities will suffer heavy losses.

Thus the solution of the question of regulating the bills of exchange market is long overdue.

**Russia: Decree on Funding for Agro-Industrial
Complex**

MM1207102996 Moscow ROSSIYSKAYA GAZETA
in Russian 9 Jul 96 p 3

[Russian Federation Government Decree 723 "On Measures To Stabilize the Economic Situation and To Develop Reforms in the Agro-Industrial Complex," dated 21 June 1996 and signed by Russian Federation Government Chairman V. Chernomyrdin: "Debts Forgiven. Peasants Seek the Way" — from the "Documents" section]

[FBIS Translated Text] In accordance with Russian Federation Presidential Edict 565 of 16 April 1996 "On Measures To Stabilize the Economic Situation and To Develop Reforms in the Agro-Industrial Complex," the Russian Federation Government decrees:

1. The Russian Federation Ministry of Agriculture and Food, the Russian Federation Ministry of the Economy, and the Russian Federation Ministry of Finance, jointly with other interested federal organs of executive power and Russian Federation component organs of executive power, are to ensure:

assistance in the creation and operation of efficient economic structures in the agro-industrial complex with use of the funds provided for in the federal budget to support agricultural organizations, regardless of their organizational-legal forms;

state funding for structural restructuring in the agro-industrial complex, the recapitalization of loss-making agricultural enterprises, and information and cadre support for agrarian reform out of the funds of the federal budget, the Russian Federation components' budgets, and nonbudgetary sources;

the development of cooperative relations in the agro-industrial complex as the top-priority area of agrarian reform and support for the creation of production, processing, supply and sales, agroservice, credit, insurance, and other kinds of cooperatives by agricultural commodity producers;

financial support for newly created peasant (private) farms enabling them to acquire agricultural equipment.

The Russian Federation Ministry of Agriculture and Food, the Russian Federation Ministry of the Economy, the Russian Federation Ministry of Finance, and the Federal Administration for Cases of Insolvency (Bankruptcy) under the Russian Federation State Committee for the Management of State Property are to:

draw up and approve before 1 September 1996 the procedure for allocating and using funds to create and organize the activities of efficient economic structures in

the agro-industrial complex, to carry out structural restructuring in the agro-industrial complex, to recapitalize loss-making agricultural enterprises, and to give the agrarian reform information and cadre support; make provision in the federal budget, starting 1997, for the allocation of funds to finance the said measures.

Russian Federation component organs of executive power are recommended to provide for appropriations for these purposes when forming the regions' budgets.

2. For the purposes of implementing the main areas of state policy in the sphere of reforming the agro-industrial complex the Russian Federation Ministry of Agriculture and Food, the Russian Federation Ministry of the Economy, the Russian Federation Ministry of Finance, and Russian Federation component organs of executive power are to:

complete before 1 August 1996 the elaboration of the federal program and regional programs for the development of peasant (private) farms and agricultural co-operatives during 1996-2000 for the purpose of creating organizational, economic, and social conditions for their stable functioning;

make provision, as of 1997, when drawing up drafts of the federal budget, for financial funds for the creation and operation of special regional leasing funds to give material and technical support to organizations in the agro-industrial complex on preferential terms; implement measures during 1996-1998 to equip peasant (private) farms with equipment, bearing in mind that provision is made for one row-crop tractor on every 50 hectares of arable land, one plowing tractor with the requisite set of agricultural machinery on every 100 hectares, and one grain-harvesting combine and one truck on every 150 hectares of grain and oilseed crops. To improve services to peasant (private) farms, the network of machine and technology stations and of machinery and equipment hire centers in various forms of ownership is to be developed.

3. The Russian Federation Committee for Machine Building, the Russian Federation Ministry of the Economy, and the Russian Federation Ministry of Agriculture and Food are to prepare within one month a draft Russian Federation Government decree on measures to stabilize the work of enterprises producing tractors and other agricultural equipment and to improve the quality of the output produced by them.

4. In accordance with Russian Federation Presidential Edict 565 of 16 April 1996 "On Measures To Stabilize the Economic Situation and To Develop Reforms in the Agro-Industrial Complex," agricultural commodity producers and processing industry organizations aside

from consumer cooperative organizations are exempted from making payments relating to debts to the federal budget:

in the sum of 5.1 trillion rubles [R] as of 1 April 1996, relating to deferred commodity credit for 1995, until 1998;

relating to centralized installment credits issued during 1992-1994 and the interest accrued on them until 2005.

Processing industry organizations are exempted from the said payments on condition that no less than 51 percent of the organizations' voting shares (stakes, holdings) belong to agricultural commodity producers.

The Russian Federation Ministry of Finance is to:

ensure before 1 December 1996, jointly with Russian Federation component organs of executive power and the Central Bank of the Russian Federation, that work is done to regulate relations between the federal budget and the budgets of Russian Federation components in connection with the exemption of agricultural commodity producers and processing industry organizations from payments relating to debts to the federal budget; submit proposals jointly with the Central Bank of the Russian Federation in accordance with the established procedure, providing for the exemption of borrowers from the payment of 10 percent annual interest, as of 1 April 1996, for servicing the Russian Federation's state internal debt formed in respect of the deferred commodity credit for 1995 and the centralized installment credits issued during 1992-1994 and the interest accrued on them.

5. The Russian Federation Ministry of Finance, the Russian Federation State Tax Service, the Russian Federation Pension Fund, the Federal Compulsory Medical Insurance Fund, the Russian Federation State Public Employment Fund, and the Russian Federation Social Insurance Fund are to prepare proposals within one month providing for the deferred payment of fines relating to the debts of agricultural commodity producers and processing industry organizations in respect of taxes and payments to the federal budget and payments to non-budgetary funds with due regard for the seasonal nature of production and sales of produce by the said organizations.

6. The Russian Federation Ministry of Agriculture and Food, together with the Russian Federation Ministry of Finance, the Russian Federation Ministry of the Economy, and the Central Bank of the Russian Federation, is to prepare for submission to the Russian Federation Federal Assembly State Duma within one month a draft law on the formation in 1997 of a special fund to give

credits to organizations in the agro-industrial complex on preferential terms, with no more than 25 percent of the discount rate of the Central Bank of the Russian Federation being levied on them.

Before 1 September 1996 the Russian Federation Ministry of Finance is to agree with the Central Bank of the Russian Federation the terms for preferential granting of credits to organizations in the agro-industrial complex and measures to establish state control over the targeted use of preferential credits, and is to submit the necessary proposals to the Russian Federation Government.

7. In the competitive selection of highly efficient commercial investment projects the Russian Federation Ministry of the Economy and the Russian Federation Ministry of Agriculture and Food are to proceed from the premise that, in accordance with Russian Federation Presidential Edict 565 of 16 April 1996 "On Measures To Stabilize the Economic Situation and To Develop Reforms in the Agro-Industrial Complex":

the cost recovery period of projects for food and processing industry enterprises must not exceed three years, or five years for agricultural production installations; federal budget funds are provided for a period of no more than 48 months.

In partial amendment of Point 4 of Russian Federation Government Decree 534 of 1 May 1996 "On Additional Encouragement of Private Investments in the Russian Federation," it is laid down that the extent of state support provided out of the federal budget funds allocated on a repayable basis or on terms of assignment to state ownership of part of the shares in joint-stock companies being set up for the realization of investment projects in the sphere of the agro-industrial complex may not exceed 70 percent of their value regardless of category.

The Russian Federation Ministry of the Economy, the Russian Federation Ministry of Agriculture and Food, and the Russian Federation Ministry of Finance are to make provision in drafts of the federal budget for:

the allocation of finances, as a separate entry, for investments placed in the agro-industrial complex on a competitive basis;
the granting of budgetary funds on a repayable basis for the construction, expansion, and modernization of agricultural and processing production installations for their subsequent use for these same purposes.

8. The Russian Federation Ministry of Finance, the Russian Federation Ministry of the Economy, and the Russian Federation Ministry of Agriculture and Food are to:

channel R800 billion in 1996 into providing credits for the acquisition of land by peasant (private) farms and other agricultural commodity producers out of additional 1996 federal budget revenues;
elaborate jointly with the Russian Federation Committee for Land Resources and Land Development, the Agro-Industrial Bank of the Russian Federation, and other interested organizations and approve before 1 August 1996 the procedure for granting credits for the acquisition of land by peasant (private) farms and other agricultural commodity producers.

9. Following representations from the Russian Federation Ministry of Agriculture and Food and other interested ministries and departments, the Russian Federation Government Commission for Protective Measures in Foreign Trade is to promptly submit to the Russian Federation Government in accordance with the established procedure and with international regulations and federal legislation proposals for amending import customs duties and introducing quotas for purchases of individual types of imported food.

10. Russian Federation component organs of executive power are recommended, jointly with local self-government organs, to regularize, as far as they are competent to do so, the taxation of peasant (private) farms, bearing in mind the abolition or reduced size of taxes during the initial period of their activity.

11. Russian Federation component organs of executive power and local self-government organs are recommended to make extensive use of Belgorod Oblast's experience in creating funds to support individual housing construction in the countryside and to make annual provision, when drawing up territorial and local budgets, for assets for the formation of long-term credit funds for housing construction in the countryside.

The Russian Federation Ministry of the Economy and the Russian Federation Ministry of Finance are to:

allocate R500 billion out of the federal budget for the said purposes in 1996 on a repayable basis and define the procedure for its repayment;
make provision in the draft federal budget for funds to the tune of at least R2 trillion for these purposes within the federal investment program, starting in 1997.

12. Russian Federation component organs of executive power are recommended:

to ensure the transfer of projects in the social and engineering infrastructure of agricultural organizations to municipal ownership by local self-government organs before 1 January 1997;

to make provision in the corresponding budgets for funds to finance the costs of maintaining the projects in the social and engineering infrastructure that remain in the jurisdiction of agricultural organizations.

[Signed] V. Chernomyrdin, chairman of the Russian Federation Government
21 June 1996
No.723

International Affairs

Ukraine: Kuchma Appeals to Clinton, Kohl For Loans To Pay Miners

LD1107170696 Kiev Radio Ukraine World Service
in Ukrainian 1600 GMT 11 Jul 96

[FBIS Translated Text] Ukrainian President Leonid Kuchma has instructed Prime Minister Pavlo Lazarenko to go to Donbass without delay, in order to study the situation in depth and take radical measures to help solve the miners' wage debt problem and lead the industry out of the crisis.

Dmytro Markov, the president's press secretary, has said Kuchma appealed to U.S. President Bill Clinton, German Federal Chancellor Helmut Kohl, and leaders of international financial organizations to grant Ukraine loans on preferential terms, to be used to improve the situation in the coal industry; in particular, to clear the miners' wage debt.

Kuchma also instructed the leadership of the Pension Fund of Ukraine to appeal to the National Bank of Ukraine and the Cabinet of Ministers to grant relevant loans for settling pension arrears. At the same time, Kuchma said that in the existing conditions it will be impossible to solve these problems by printing more money.

Ukraine: Russia Seen Hampering Black Sea Fleet Issue

WS1107085096 Sevastopol FLOT UKRAYINY
in Russian 22 Jun 96 pp 1,3

[Article by Mykola Oleksiyenko: "Who Profits From a Deadlock, or Why Has the Division of the Black Sea Fleet Been Suspended?"]

[FBIS Translated Text] During a regular meeting in Kiev, the Russian and Ukrainian prime ministers once again did not manage to overcome the deadlock which developed with regard to the problem of the Black Sea Fleet. Judging by all the signs, they will hardly be able to do this in the immediate future. As it is, the positions of the Russian and Ukrainian sides are completely contradictory with regard to the main components of this problem — the stationing of both fleets and a definition of the main base of the Russian Federation Black Sea Fleet.

Russia is insisting on withdrawing the Ukrainian Navy from Sevastopol and leaving the Russian Black Sea Fleet there. It is also insisting on recording that Sevastopol is the main base of the Russian Black Sea Fleet in a relevant agreement.

On the other hand, Ukraine's stance is that the Ukrainian Navy will be stationed in Sevastopol, as Foreign Min-

ister Hennadiy Udovenko has previously stated, and which he has confirmed one again. This is our state's sovereign right. The Ukrainian side cannot go for any concessions to meet Russia's demand to recognize Sevastopol as the main base of the Russian Black Sea Fleet, and is suggesting the following wording: "The Russian Black Sea Fleet is stationed in Sevastopol."

This is not casuistry, but a fundamental position. There are disagreements with regard to certain other issues as well, for example, those concerning the duration of a lease, and so on. Nonetheless, they can be resolved. The main disagreements have currently evolved into a multilevel political problem, mostly because the Russian side, including Russian Federation President Boris Yeltsin, have linked them to the signing of a large-scale treaty with Ukraine. On the eve of one of his numerous postponed visits to Kiev, B. Yeltsin said the following: "If agreements on the Black Sea Fleet are not included in a large-scale treaty with Ukraine, there will be no need to go to Kiev."

There is no doubt that the problem of the Black Sea Fleet's stationing has been artificially transformed into a stumbling block between the two states by certain Russian forces — which have aggravated it particularly on the eve of the presidential elections in the Russian Federation. The current uncertainty in relations with Ukraine is very convenient for the Russian national-patriots, communists, and many people from B. Yeltsin's closest entourage.

They are making every effort to play the Fleet card, as well as the Crimean and Sevastopol cards, which are in the same deck. Moscow Mayor Yu. Luzhkov and certain high-ranking officials of the Russian Federation are hardly afraid of justified wrath while making statements about Sevastopol's Russian status which are provoking Ukraine. Such wrath has never followed such statements!

The Russian Federation State Duma's efforts to play the Fleet card in its own way by deciding to suspend the reduction of the Black Sea Fleet and its further division did not bring forth the president's condemnation. The Russian lawmakers thus rejected the concept of setting up two fleets based on the Black Sea Fleet, the implementation of which had just begun in accordance with previously reached agreements, knowing that the overwhelming majority of Russian servicemen are against the division of the Black Sea Fleet and handing a part of it over to Ukraine.

Had Yeltsin agreed to sign a large-scale treaty with Ukraine, he would have lost a solid portion of the military electorate during the elections, and not only this electorate.

Of course, if Yeltsin had managed to obtain from Ukraine concessions concerning the Black Sea Fleet problem, and if he had returned from Kiev on a white horse, as the saying goes, he would not have hesitated to take advantage of this.

Among all the measures for improving his image, a victory over the intractable Ukraine with regard to the Black Sea Fleet problem would probably be the most significant one for B. Yeltsin. This is why he recently sent his prime minister to Kiev, and this is why trips to Crimea and Sevastopol by various high-ranking Russian officials, including military ones, have become much more frequent. Amassed pressure is being exerted on Ukraine every day. However, even the "elder brother's" attempts to twist his "younger brother's" hands with the help of the gas lever are no longer helpful.

Of course, the Russian Federation president and other state officials and politicians are not so naive and juridically illiterate to not understand that their demands concerning the Black Sea Fleet problem are unacceptable for Ukraine. Russia's attempt to dictate to Ukraine where it should deploy its navy on its own territory is — in the political sense — nothing but an offense against its national dignity, a gross interference in its domestic affairs, and actual negation of its state sovereignty. Would Russia not feel deeply offended if Ukraine took upon itself the right to show Russia where it should deploy various military formations on its territory?

Why is the Russian side so "frightened" by the possibility of the two fleets being stationed in different bays in Sevastopol? Is it possible to so persistently stand up against this? Perhaps Russian admirals are afraid that the Ukrainian Navy will suddenly capture the Caucasian shores of the Russian Federation? The answer lies in the political sphere. The point is that in addition to its importance in terms of defense, even the symbolic presence of its navy in Sevastopol has great political importance for Ukraine, just as the presence of the Black Sea Fleet does for Russia. Should the Ukrainian Navy leave Sevastopol, one can confidently predict that Sevastopol will really become a Russian city, which is what both the Russian national-patriots and the Crimean separatists have long dreamed, and which they do not conceal. And if the Black Sea Fleet problem cannot currently be resolved as they would like, it should be kept in a deadlock, meaning that the final division of the Black Sea Fleet and the process of defining its status should be dragged out for an undefined period of time. In short, Russia is so far completely satisfied with this situation not only from the military-political aspect, but also from the economic one.

For Ukraine, the current situation is very inconvenient from all perspectives. From the political aspect, the stationing of a foreign navy on its territory, not conditioned by any agreements, is negatively affecting its international image of a nonaligned state. From the military perspective, the presence of the Black Sea Fleet is strengthening separatist forces and creating a potential threat to Ukraine's territorial integrity and state sovereignty; it also may lead to its possible involvement in a military conflict waged by the Russian Federation.

From the financial-economic angle, the situation is fraught with losses to Ukraine counted in billions. Not just every year and every month, but every day of the dragging out of the final division of the Black Sea Fleet, Ukraine's 50-percent share in it is drastically decreasing as a result of selling out and stealing everything valuable in the Black Sea Fleet and making its military and other equipment worthless.

The Black Sea Fleet's debt to Sevastopol's communal services is constantly growing. It is currently amounting to approximately 2 trillion karbovantsi. Losses resulting from the fact that Sevastopol has missed the opportunities to develop a tourism, historic, and cultural center and attract investments from foreign business circles' because of the Black Sea Fleet's stationing are counted in billions. In the opinion of Sevastopol Mayor Viktor Semenov, which he expressed at a recent meeting with Organization for Security and Cooperation in Europe representatives, it will be impossible to address the issue of foreign investments in the city until a large-scale treaty on friendship and cooperation is signed between Ukraine and Russia and the Black Sea Fleet problem is finally resolved. All of this is very negatively affecting the socioeconomic situation in the city, the well-being of all its residents, and even exacerbated the situation with regard to epidemics. Repayment of the Black Sea Fleet's debt would help resolve the problem of water supply and many other difficulties.

Unfortunately, this is not worrying many Russian politicians, and all the more so military officials, who have their own plans. Thus, many of them — including Admiral Viktor Kravchenko, current commander of the Black Sea Fleet — have been presenting their wishes as reality by constantly stating that Sevastopol has been, is, and will be the main base of the Black Sea Fleet. And it is only the Black Sea Fleet that has the right to be stationed here, but in any event, not the Ukrainian Navy.

If no diplomatic or economic pressure on Ukraine helps, Russian admirals and generals have more radical plans in reserve. And they are not ashamed to present them. In this regard, an article by Russian Generals

Veleri Dementev and Anton Surikov which was published in one of the recent supplements to NEZAVISIMAYA GAZETA and reprinted in LITERATURNAYA GAZETA seems very ambitious. The article proclaims CIS countries to be a zone of Russia's vital interests, in which 25 million Russians live. Therefore, in the opinion of the authors, Russia should be ready to stand up against these countries and should simultaneously participate in at least one local war and three "frozen" conflicts and peacekeeping operations.

This rings a bell, does it not? As everyone knows, the annexation of Austria and the capture of Czechoslovakia by Germany were once caused by "vital interests."

Of course, this could be deemed the ravings of the insane, but unfortunately not only certain military officials of the Russian Federation, but also high-ranking state officials and politicians are afflicted with such ravings, too.

Therefore, until the Black Sea Fleet problem is finally resolved at the highest political level and a large-scale treaty between Russia and Ukraine is concluded, these forces will continue to play the "Fleet card" for their ambitious purposes. One would like to hope, however, that sooner or later the deadlock surrounding the Black Sea Fleet will be resolved and common sense will prevail.

Ukraine: Latvian Foreign Minister Comments on Visit Aims

LD1107194796 Moscow INTERFAX in English
1638 GMT 11 Jul 96

[FBIS Transcribed Text] Kiev, July 11 (Interfax - Ukraine) — The main aim of the visit to Ukraine of Latvia's Foreign Minister Valdis Birkavs is "to help towards intensification of bilateral dialogue." A statement to this effect was made by Birkavs himself upon arrival at Kiev's Borispol airport Thursday.

"Being two European nations, Ukraine and Latvia have much in common in their objectives for the future," the Latvian Foreign Minister observed.

He emphasized that in the course of his stay in Kiev he intended to pay "special attention to two issues — promoting an economic dialogue between the two countries and cooperation at international organizations, in particular, at the Council of Europe and the United Nations Organization." "It seems to me we have very much in common in this field," the Latvian Minister emphasized.

Mr Birkavs has congratulated Ukraine on the adoption of her new Constitution and the fact that Kiev has been named as the venue for the meeting of the Board of

Directors of the European bank for Reconstruction and Development in 1997.

Latvia is known to have contended for hosting this meeting in 1998.

"We have found common ground on this issue," Valdis Birkavs noted.

Ukrainian Foreign Minister Hennadiy Udovenko, who welcomed his counterpart at the airport, expressed gratitude to Latvia "for the understanding on the issue of naming the venue for the meeting of EBRD Directors Board."

Udovenko noted that the Kiev city authority "will have to work very hard" to ensure that the city could host 5,000 persons.

"The holding of such an important conference in Kiev is of much significance to us, not only from the economic, but also from the political viewpoints," the Ukrainian Foreign Minister underscored.

After the welcoming ceremony, the Foreign Minister of the two countries opened negotiations. Mr. Birkavs is due to meet with Ukrainian Foreign Trade Minister Serhiy Osyka today.

On Friday, the Latvian Minister is to meet with Ukrainian president Leonid Kuchma, Prime Minister Pavlo Lazarenko and Parliament Speaker Oleksandr Moroz.

In the course of the visit, a number of joint Ukrainian-Latvian papers are to be signed — a protocol on the exchange of the ratification instruments of the agreement on legal aid and legal relations in civil, family, labor and criminal cases and a joint statement by the Foreign Ministers of Ukraine and Latvia.

Ukraine: 'Important Documents' Signed With Kazakhstan

AU1207103996 Kiev HOLOS UKRAYINY
in Ukrainian 10 Jul 96 p 1

[Unattributed report: "Gas Promotes Warmer Relations"]

[FBIS Translated Text] Yesterday [9 July], the interstate Ukrainian-Kazakhstani Commission for Economic Cooperation completed its work in Kiev. On our side, it was headed by Vasyl Durdynets, acting first deputy prime minister, and on the Kazakhstani side, by Nigmatzhan Isingarin, deputy prime minister. The latter also heads the integration committee, created in conformity with the agreement on intensifying integration in the economic and cultural spheres among Belarus, Kazakhstan, Kyrgyzstan, and Russia.

At the first session, provisions on the commission were adopted and important documents signed: The Convention of Avoidance of Double Taxation and Accord on Cooperation in the Oil and Gas Sphere. The Kazakhstani guests met with leaders of the ministries of External Economic Ties, Transport, and Foreign Affairs, as well as with leaders of the country. A trip to Almaty by the Ukrainian part of the commission is planned for next year.

Ukraine: Turkey Grants Political Asylum to Dudayev's Widow

AU1207105196 Kiev DEMOKRATYCHNA
UKRAYINA in Ukrainian 11 Jul 96 p 1

[Unattributed report: "Alla Dudayeva Has Been Taken Across to Turkey"]

[FBIS Translated Text] Alla Dudayeva, [Chechen President] Dzhokhar Dudayev's widow, has been taken across to Turkey, which has granted her political asylum. Andriy Shkil, head of the UNA [Ukrainian Nationalist Assembly] political section, stated this at a news conference in Kiev on Tuesday [9 July]. UNA has been maintaining close contacts with supporters of independence of the Chechen Republic Ichkeria.

Ukraine: Official on Alternative Oil, Gas Suppliers
WS1107124296 Odessa ODESSKIYE IZVESTIYA
in Russian 5 Jul 96 p 2

[Interview with Oleksandr Sverdlov, chief of the Ukrainian State Oil and Gas Committee Department of Oil and Gas Transport, by Petro Kolomiyets; place and date not given: "Where Will Oil Flow?"]

[FBIS Translated Text] Ukraine's excessive dependence on a single source of energy supplies is the weakest point of its sovereignty. The situation would change for the better if Ukraine — given its geostrategic situation — could become a transit corridor for shipping oil from the Near East to Europe. Is this possible? We posed this question to Oleksandr Sverdlov, chief of the Ukrainian State Oil and Gas Committee Department of Oil and Gas Transport and Underground Reservoirs.

[Kolomiyets] Discussions about the possibility of using Ukraine as a corridor for shipping oil to West Europe have been held for so long and so little has been done toward this end, that the feasibility of this project has started to evoke doubts.

[Sverdlov] Nevertheless, let us consider the geostrategic realities. The length of the route by which oil from the Near East is transported to West Europe is 12,800 kilometers [km] through the Suez canal or 23,000 km around Africa. Ukraine's geostrategic situation enables

to shorten this route more than twofold if a transit corridor is built across the territories of Turkey and our state. In the long run, the route of shipping Azerbaijani and Kazakh oil to Europe via Georgia and Ukraine would also be shorter than the current route via Turkey. The same concerns gas supplies.

[Kolomiyets] However, we often observe examples of wishful thinking. Should Ukraine really try to acquire the difficult role of a transit corridor, given its limited material resources? Are Central and West European states interested in this?

[Sverdlov] This we have to find out. The situation with oil is more simple. Ukraine's current suppliers of oil are Russia and partially, Kazakhstan. In 1996, Ukraine's demand for oil was met in the following way: 10,900,000 tonnes was received from Russia (by trunk pipelines); 2,400,000 tonnes was received from Kazakhstan (by Russian pipelines); and 3,100,000 tonnes was produced in Ukraine. This made up the aggregate volume of 16,400,000 tonnes.

Please note that in 1989 Russia supplied 55,100,000 tonnes of oil to Ukraine, and some of it was exported via Odessa and Feodosiya by the Center-West pipeline. Given that oil supplies in 1995 were too small to meet the Ukrainian economy's demand, 17,800,000 tonnes of oil products, including gasoline, diesel fuel, and residual fuel oil were also imported by commercial structures.

The drop in oil supplies from Russia took place as a result of the following factors: The drop in the production of oil in Russia, on the one hand, and Russia's attempts to export oil products at very high prices, for hard currency, and primarily to countries of the far abroad on the other hand. Special attention should be paid to the rate of the oil production decline in Russia. The production of oil went down from 564,900,000 tonnes in 1989 to 297,600,000 in 1994.

Therefore, we can make a long-term forecast that the production of oil in Russia has a stable declining tendency and by the years 2000-2005 that the state may cease to be the primary supplier of oil to Ukraine. The aforementioned factors urge the necessity to look for alternative sources of oil.

[Kolomiyets] However, Russia's gas reserves are huge and production volumes are constantly growing.

[Sverdlov] Indeed, Russia occupies the first place in the world in terms of prospected gas deposits and is not going to give up its European markets. Russia's "Gazprom" joint stock company is currently the world's largest monopolist of gas and its "gas expansion" has become a component of Russia's state policy. However, for political, as well as a number of other reasons,

European states are trying to receive — in parallel with Russian gas — gas from Iran and Turkmenistan across the territories of Iran and Turkey.

In fact, Ukraine pays Russia one of the world's highest prices for gas (\$80 for 1,000 cubic meters [cu m].) as compared to the price of gas in Europe — \$85 per 1,000 cu m. German consumers pay \$50 per 1,000 cu m of gas on the Russian-Ukrainian border, and French consumers — \$40.

Therefore, Ukraine's joint participation with Europe in implementing alternative variants of shipping gas to the region may ensure optimal gas prices and break Russia's monopoly. The combination of Ukraine's interests with the interests of European importers of oil and exporters of oil from Central Asia, the Near East, and the Caucasus should facilitate the realization of new projects for transporting energy supplies.

[Kolomiyets] Thus, this is a far-reaching strategy. What is its essence?

[Sverdlov] The plan includes the construction of the "Southern" oil transit complex 30 km from Odessa. The construction of the first set of facilities which will enable annual receipt of 12,000,000-18,000,000 tonnes of oil will cost \$326,000,000. It also includes the construction of the Odessa-Brody pipeline link worth \$447,000,000. The plan envisions participation in the construction of important facilities in other states (Georgia, Azerbaijan, Kazakhstan, Turkey) with an eye toward creating a system of trunk pipelines and oil loading harbors which should replace Russian harbors in Novorossiysk and Tuapse.

It would be very advisable to take part in the construction of the Baku-Supaa Transcaucasian oil pipeline with the annual capacity of around 7,000,000 tonnes. The length of the pipeline is 850 km, including 330 km in Azerbaijan and 520 km in Georgia. The aggregate cost of construction is \$1.3 billion.

We should also strive for participation in the construction of the Tengiz-Akai-Baku pipeline for the shipping of Kazakh oil by the Transcaucasian trunk pipeline. The Dzheyhan-Samsun pipeline, naturally, should also play a very important role.

[Kolomiyets] People say that chickens should not be counted before they hatch. Of course, it is too early to throw all the cards on the table. Nevertheless, I would like to know what Ukraine will be able to achieve by implementing this program.

[Sverdlov] The implementation of the aforementioned program will help Ukraine diversify its oil supplies in addition to supplies from Russia. Meanwhile, I would

like to point out that according to estimates, Ukraine will need 42,000,000 tonnes of oil in the year 2000, while domestic production will only provide 4,900,000 tonnes.

When Ukraine will diversify its oil supplies it will be able to break the current monopoly of one state [Russia]. This will create favorable conditions for importing oil products, and in the future, will enable transit shipments of oil products through the existing oil harbors in Odessa and Feodosiya and by the Center-West oil pipeline, which is currently used by Russia alone.

[Kolomiyets] Even now Ukraine receives large profits from having transit gas pipelines.

[Sverdlov] Indeed, Ukraine's gas transporting systems are linked to the Russian system. Powerful gas transporting trunk pipelines also stretch across Ukraine's territory. Russia's intentions to increase the transit of gas across our state also suits Ukraine's interests because this will increase the volume of gas received by Ukraine as payment for transit. When Russia increases its transit to 155 billion cu m per year Ukraine will be able to receive 11 billion cu m as payment. Meanwhile, Ukraine's aggregate annual demand for gas will reach 40-60 billion cu m in the year 2010.

At the same time, we have mentioned that despite Russia's huge gas deposits Ukraine badly needs alternative suppliers and routes. Iran, Turkmenistan, and other Central Asia and Persian Gulf states may become these kind of alternative suppliers. Alternative routes may be those across Caucasus, Turkey, and the Balkan states.

[Kolomiyets] Is the implementation of these large scale projects feasible?

[Sverdlov] Despite critical remarks and skeptical statements, a lot is already being done, although we would like to see a faster pace. Significant progress will probably be achieved in the immediate future.

National Affairs

Ukraine: Kuchma Presents New Defense Minister Kuzmuk

LD1107132096 Moscow INTERFAX in English
1114 GMT 11 Jul 96

[FBIS Transcribed Text] Kiev, July 11 (Interfax - Ukraine) — On Thursday, Ukrainian President Leonid Kuchma has presented the newly-appointed Defense Minister Oleksandr Kuzmuk to members of the Collegium of the Defense Ministry. The decree of his appointment was signed today.

Addressing the official presentation, President Kuchma recalled that in keeping with the Constitution in effect,

all the power ministers are subordinated directly to the President.

He also disclosed that the former Defense Minister Valeriy Shmarov had tendered a letter a resignation from his office. "Unfortunately, he has failed to play the role assigned to him," President Kuchma said. The President also explained that "as a political figure, Valeriy Shmarov was supposed to establish close links with managers of industrial enterprises, the manufacturers of weapons and spares to them." He has failed to do so, Leonid Kuchma said.

He also described the decision on the appointment of a new Defense Minister as being "the only correct one." The President pointed out that "there may be also political evaluations of this change, yet it is we who are responsible for the state of the Army."

Touching upon the outcome of the check on the situation in Ukraine's Navy, the President criticized the state of affairs in the Ukrainian Naval Force. According to him, in the course of several years Ukraine's Navy "has not even brought itself to create a concept of what Navy we would like to see." President Kuchma also noted that he was ready to assist the Ukrainian Navy, since "it is no longer a military, but a political matter." He has also criticized the situation in preserving the stocks of arms and ammunitions in the Ukrainian Army and instructed the new Minister to study attentively the situation in that field.

Oleksandr Kuzmuk, Lieutenant General of the Guards, was in command of the 32nd Army Corps in Crimea before his appointment as National Guards Commander. He is a graduate of the Kharkov Tank School of the Guards. He is married with a daughter and son.

Ukraine: UNIAN Gives Biography of New Defense Minister

*LD1107130396 Kiev UNIAN in Ukrainian
1050 GMT 11 Jul 96*

[FBIS Translated Text] Kiev — The Ukrainian president has issued a decree appointing Lieutenant General Oleksandr Kuzmuk as Ukrainian defense minister. Prior to this, Kuzmuk was commander of the Ukrainian National Guard.

Oleksandr Kuzmuk was born in 1954 in the village of Dyatelovka, Slavutskiy District, Khmelnytskyi Region. He is Ukrainian by nationality. He graduated from the Kharkov higher guards military tank school and the Academy of Armored Troops. He served in remote garrisons as a commander of a platoon, company, battalion, an independent tank regiment, as a deputy divisional commander, as chief of staff, and as a

commander of a motor-rifle division. From October 1993, he was commander of the 32d Army Corps. Since October 1995 he has been commander of the Ukrainian National Guard.

Ukraine: Kuchma Reappoints Radchenko Head of Security Service

*LD1107121296 Moscow INTERFAX in English
1145 GMT 11 Jul 96*

[FBIS Transcribed Text] KIEV, July 11 (Interfax-Ukraine) — President Leonid Kuchma signed a decree on Thursday to appoint Volodymyr Radchenko as chairman of Ukraine's Security Service.

Radchenko held this post anyway.

The procedure of appointing the heads of power ministries is envisaged by the new Constitution approved on June 28th.

According to the information obtained by Interfax-Ukraine, the president will present Radchenko to the collegium of the Security Service on Thursday.

Other decrees concerning appointments to power structures will be published by the end of Thursday, well-informed sources told Interfax-Ukraine.

Ukraine: Kuchma Appoints Interior Minister, Other Officials

*LD1107170396 Moscow INTERFAX in English
1600 GMT 11 Jul 96*

[FBIS Transcribed Text] KIEV, July 11 (Interfax-Ukraine) — Ukrainian President Leonid Kuchma on Thursday appointed Yuriy Kravchenko as interior minister, Viktor Bannykh as commander of the border guards, Leonid Derkach as chairman of the State Customs Committee and reconfirmed Hennadiy Udovenko as foreign minister (he is the current holder of this post), the presidential press service told Interfax-Ukraine.

Earlier in the day he had appointed Volodymyr Radchenko to chair the Ukrainian Security Service and Oleksandr Kuzmuk as defense minister.

These appointments are consistent with the new constitution adopted at the end of June, under which the president has a right to appoint power ministers without clearance from parliament.

As he introduced Kuzmuk to the collegium of the Defense Ministry, Kuchma emphasized that the power ministers and the foreign minister report directly to the president.

Ukraine: Kuchma Worried About State of Armed Forces

LD1107143496 Kiev UNIAN in Ukrainian
1050 GMT 11 Jul 96

[FBIS Translated Excerpt] On 11 July, Leonid Kuchma, commander in chief of the Ukrainian Armed Forces, presented the new defense minister, Oleksandr Kuzmuk, to members of the Defense Ministry's military collegium.

According to a UNIAN correspondent, Leonid Kuchma said that the dismissal of Valeriy Shmarov from the post of defense minister was "the only correct decision." "Obviously, the world will assess this in a political way. However, we bear full responsibility for the state of affairs in the Armed Forces," he said. [passage omitted]

Leonid Kuchma expressed anxiety with the sociopolitical situation in the Armed Forces. According to him, in the army there are many violations of current legislation, and theft of weapons and assets. "We need to resolve this," Kuchma said, addressing the newly appointed minister.

Leonid Kuchma also stressed the need for the government to help the army. He criticized the activities of the Ukrainian navy command, citing the results of the latest inspection. He is convinced that they prove that "we do not have a Ukrainian navy."

The president drew the attention of members of the military collegium to the inadmissibility "of internal stripping within the fleet," noting that its commander, Vice Admiral Volodymyr Bezkorovaynyy, should draw the appropriate conclusions. At the same time, Leonid Kuchma expressed his readiness "to always help the fleet."

Ukraine: Government Vows To Take 'Concrete Measures' To Pay Miners

LD1107125696 Moscow INTERFAX in English
1236 GMT 11 Jul 96

[FBIS Transcribed Text] KIEV, July 11 (Interfax-Ukraine) — The Ukrainian government will take concrete measures to pay miners their back wages, Ukrainian Prime Minister Pavel Lazarenko said in parliament Thursday.

"Though it is impossible to resolve the problem by this deadline, tensions will be eased," Lazarenko said.

In a resolution passed by 250 out of 422 votes, the parliament took into consideration government information on the redemption of back wages and other social benefits.

The resolution instructed the government to "intensify work to increase budget revenues, cut secondary tasks and inform the parliament on the implementation of this resolution by October 1, 1996."

At the same time, the deputies rejected the third point of the resolution developed by the Social Policy and Labor Commission calling for a no-confidence vote in acting Deputy Prime Minister Viktor Pynzenyk and Deputy Finance Minister Volodymyr Matviychuk.

Lazarenko asked the deputies to consider issues submitted for consideration by the government, including the imposition of internal excise stamps on alcoholic drinks and tobacco products and the ratification of two international loan agreements.

"This would be a concrete and coherent joint action," which would help to increase budget revenues as of tomorrow, he said.

The parliamentary commissions are adjusting four relevant draft laws to submit them for consideration to the Supreme Soviet by the end of today's session.

Ukraine: Donetsk Miners Stage Protest Actions Against Debtors

LD1107122496 Moscow ITAR-TASS in English
1147 GMT 11 Jul 96

[By Anatoliy Gordeyev]

[FBIS Transcribed Text] DONETSK, July 11 (Itar-Tass) — Residents of Donetsk, a city with a population of about one million, sighed with relief today in the morning, when they saw that pickets of coal miners were removed from roads and highways within the city. This does not mean, however, that the miners stopped their protest action, with the help of which they are going to force the government to pay their wages for several months, as well as other allowances.

The miners' strike became more purposeful. They began to block railways at several railway terminals within the city or close to it. Miners from 16 mines were to block railway traffic until 13.00, Moscow time, Vladimir Minenko, member of the Donetsk city strike committee, told Tass. They are not going to make exceptions to any of the trains — freight, passenger or local. It is worth mentioning in this connection that before the beginning of the protest action Donetsk railway workers managed to put through the main stream of passengers from suburban trains, which made it clear that today's picketing was a carefully calculated attack on the main debtors of the coal mining sector — the coke producers.

Ukraine: Miners Block Railway Lines; Possible Settlement

*LD1207094796 Kiev UNIAN in Ukrainian
0815 GMT 12 Jul 96*

[FBIS Translated Text] Donetsk [no date as received] — The blockade of railway lines in Donetsk is continuing. According to a decision by miners' collectives, the blockade will be organized according to a prearranged system, that is from 0900 to 1200. According to Valeriy Miller, the leader of the mining trade union association in Donetsk, only three mines are working in Donetsk: the Zasyadko, Pivdennodonbaskiy and Donbas mines.

Miners from the Abakumov mine, which is on strike, refused to take part in blockading the railway lines and decided to block parts of the motorway. Railwaymen and members of the administration have asked the miners to allow just passenger and suburban trains through the cordons. "Our aim is not to ill-treat the populace. We are prepared to compromise if the railway system can guarantee the passage of passenger and suburban trains on specially designated tracks and not allow the passage of freight trains," Valeriy Miller said.

There are reports that these conditions will be met tomorrow, 13 July. On 11 July, the director-general of the Donetskvuhillya production association gave assurances that if the miners return to work today, the government will guarantee that wage arrears for June would be paid within three days, and that additional payments for length of service would also be paid. But the miners refused to accept these terms.

Economic Issues

Ukraine: Supreme Council Ratifies Credit Agreement With EU

*LD1107171596 Moscow INTERFAX in English
1626 GMT 11 Jul 96*

[FBIS Transcribed Text] KIEV, July 11 (Interfax-Ukraine) — The Ukrainian Supreme Soviet ratified Thursday an ECU 200 million (nearly \$260 million) credit agreement with the European Union, submitted to parliament on June 19.

Deputy Finance Minister Serhiy Matsatsariya told parliament that the credit has been granted for 10 years, and during the first five years interest will be paid at the LIBOR rate plus 0.5 percent. The final rate will not exceed 8.55 percent, he said.

Following the ratification, the first sub-tranche of the credit will arrive in 10 to 15 days and the second one in August, Matsatsariya said.

The credit will be made available in two Ecu 100 million tranches.

Under the agreement, the European Commission will issue bonds worth ECU 200 million. The proceeds of their sales will be transferred to the National Bank of Ukraine.

Matsatsariya said that the arrival of the second sub-tranche may be delayed because Ukraine had not cut compensation to 80 percent for payments for communal services, heating and electric supplies to individuals as of July 1.

This increase of housing tariffs was agreed in a memorandum which is an integral part of the agreement.

The Ukrainian parliament ratified the agreement as formulated by the commission, which calls on the government to use the credit chiefly to pay back wages to government employees.

Ukraine: Premier Favors Market Relations in Power, Energy Complex

*LD1007152696 Kiev UNIAN in Ukrainian
1055 GMT 10 Jul 96*

[FBIS Translated Text] Kiev [no date as received] — Ukrainian Prime Minister Pavlo Lazarenko believes that the situation in the fuel, power and energy complex can only be stabilized if market relations are established between the producers and consumers of fuels. He told the parliament session on 10 July that he was in favor of introducing a regime under which fuels would be sold to consumers rather than distributed among them. Lazarenko said the government had worked out a procedure for making a required reserve of fuel for the fall-winter period in the amount of 6 million tonnes of coal and 850,000 tonnes of fuel oil.

Lazarenko said the government had taken a decision to carry out structural reorganization of the coal industry; in particular, it made a list of 30 depleted mines subject to closure as loss-making ones. The government also made a list of 76 mines that do not require financial assistance and 160 mines that will receive financial aid, as promising ones. The aid will be rendered in return for every tonne of coal extracted. Lazarenko said the government had allocated 15 trillion karbovantsi for transferring social and cultural facilities in the towns of Lugansk and Donetsk regions to the ownership of local authorities. He said the government, in cooperation with commercial banks, would render aid to 93 mines to the overall value of 17 trillion karbovantsi.

Ukraine: Kiev Expects To Harvest 30 Million Tonnes of Grain

*LD1107145396 Moscow INTERFAX in English
1428 GMT 11 Jul 96*

[FBIS Transcribed Text] KIEV, July 11 (Interfax-Ukraine) — Ukraine expects to harvest about 30 million tonnes of grain this year, Deputy Prime Minister Mikhail Zubets told parliament on Thursday.

He said the government would purchase about 5 million tonnes of grain, with 4 million-4.5 million tonnes to be paid in kind and 2 million-2.5 million tonnes to be set aside as seed stock, and 900,000 tonnes to be sold as fodder.

The farms will retain and dispose of the remainder as they wish, Zubets said.

Earlier, Prime Minister Pavel Lazarenko said the government had complied with part of the 1996 budget law on subsidizing this year's harvesting campaign and handed out 78 trillion karbovantsy as advance payment to the farm producers.

Speaking before the start of the harvesting season, Zubets said that only 56,000 of the 112,000 harvesters were ready for the season.

He said the farming sector needed 810,000 tonnes of gasoline and 1,250,000 tonnes of diesel fuel to cope with the task. Currently, the sector has only about 15 percent of the fuel it needs, Zubets said.

Belarus**Belarus: Deadline Announced for Nuclear Weapons Withdrawal**

WS1207075896 Minsk Radio Minsk Network
in Belarusian 0700 GMT 12 Jul 96

[FBIS Translated Text] Belarus Deputy Foreign Minister Andrey Sannikaw has stated at a news conference in Minsk that Belarus will withdraw nuclear weapons from its territory by the end of 1996. At the moment, 18 strategic rockets remain on Belarusian territory out of 76 which were [word indistinct] before. At the beginning of 1996, Belarus fully met its obligations with regard to destruction of combat aircraft, artillery systems, and tanks.

Belarus: Official Claims Ukraine Supports Idea of Non-Nuclear Zone

WS1207102196 Minsk BELAPAN in English
0617 GMT 12 Jul 96

[FBIS Transcribed Text] Minsk, 11 July — Speaking about President Alyaksandr Lukashenka's idea of the creation of a nuclear-free zone in the center of Europe at a briefing held on July 11, Belarus' deputy foreign minister Andrey Sannikaw named firstly Ukraine among the countries interested in the realization of this idea. He pointed out that Ukraine had backed this idea as far back as last year during a conference on the Non-Proliferation Treaty. According to Mr. Sannikaw, at the present time consultations are being held with the countries that could back the initiative of the Belarusian president and be interested in having non-nuclear status. Nevertheless the deputy foreign minister did not indicate which countries.

Belarus: British MP Pays Off Belarusian Debt to OSCE Assembly

LD1107191996 Moscow INTERFAX in English
1634 GMT 11 Jul 96

[FBIS Transcribed Text] MINSK, July 11 (Interfax-West) — Peter Emery, a British MP in the House of Commons, has paid the Belarusian parliament's debt to the OSCE [Organization for Security and Cooperation in Europe] Parliamentary Assembly out of his own pocket. Igor Kotlyarov, chairman of the Belarusian parliament's Commission for Human Rights and the Media, told reporters on his return from Stockholm, Sweden.

During a news conference in Minsk Belarusian MPs displayed a debt letter saying that they undertake to repay the money to the British MP before July 31, 1996.

The OSCE Parliamentary Assembly on July 1 decided that the Belarussian delegation would be deprived of the right to vote because of its debt, totalling some \$10,000.

The Belarussian MPs were invited to Stockholm to take part in the OSCE Parliamentary Assembly's session as observers.

Given such a situation, Belarussian Parliamentary Chairman Semyon Sharetskiy decided to refrain from going to Stockholm as the head of the Belarussian delegation in early July.

Belarussian President Alyaksandr Lukashenka in a recent televised speech accused MPs of squandering hard currency for foreign trips and announced his intention to introduce a strict economy drive in the country in the near future.

"A blow has been dealt to Belarus' prestige in the international arena," a Belarussian MP told Interfax.

Belarus: Lukashenka Holds Talks With French President in Paris

LD1107171396 Moscow INTERFAX in English
1617 GMT 11 Jul 96

[FBIS Transcribed Text] PARIS, July 11 (Interfax-West) — Belarussian President Alyaksandr Lukashenka arrived in Paris for an official three-day visit Thursday and held talks with French President Jacques Chirac.

After the meeting, Chirac said they had recognized that the standard of political, economic and cultural relations between the two countries is insufficient and the two nations do not know each other well enough.

He told the press the large-scale friendship treaty signed in Paris paves the way for qualitatively new relations between France and Belarus.

European security was discussed and the two presidents recognized the similarity of approaches to the issue.

Chirac promised to visit Belarus when possible.

Lukashenka was satisfied that the French president said his country had a distorted idea of Belarussian policies before the visit.

On the results of talks in Paris, Lukashenka's first aide Ural Latypov said relations with France in the West are no less important for Belarus than relations with Russia in the East. He said agreement was reached with Chirac on French support for Belarussian integration in the European Union.

Latypov said the presidents largely agreed on the future of NATO.

"The alliance requires reformation but the NATO enlargement to the East should not be fast," the aide said.

He cited the French president as saying NATO enlargement should not damage the interests of Russia, Belarus and Ukraine. Latypov said that Chirac noted that the simple expansion of NATO, which was formed as a counterbalance to the USSR, is unnecessary, and that NATO must be reformed.

Belarus: Friendship Treaty Signed With France During Lukashenka Trip

LD1107235696 Moscow ITAR-TASS World Service in Russian 1804 GMT 11 Jul 96

[By ITAR-TASS correspondent Mikhail Kalmykov]

[FBIS Translated Text] Paris, 11 Jul — Relations between France and Belarus, which were consolidated by the pilots of the Normandy-Neman squadron, have good prospects for further development. This was said today by President Alyaksandr Lukashenka of Belarus after a meeting with French President Jacques Chirac and the signing of a treaty on friendship between the two countries. Lukashenka arrived in the French capital on a three-day official visit today.

The Belarusian president spent over two hours in the Elysee Palace — his conversation with Jacques Chirac was continued during the banquet given by the French president in honor of his guest. Lukashenka said an important step had been made toward overcoming a "distorted" image of Belarus created by the mass media in the West. For his part, Chirac said "the two countries have become friends after signing the treaty." He also said he is ready to pay an official visit to Minsk "as soon as an opportunity arises." "Owing to the personal meeting I was able to understand better the situation in Belarus and changes which are now under way in that country," the French president said.

"During today's meeting Belarus and France have confirmed their wish to deepen their relations with Russia," Mikhail Marynich, Belarusian minister of foreign economic relations, told ITAR-TASS. "The French side has fully appreciated Minsk's approach toward deepening historical relations with Moscow. President Chirac has welcomed this process."

ITAR-TASS learned from informed sources close to the negotiations that both presidents welcomed the outcome of the presidential elections in Russia. They underlined that they enjoyed good relations with Boris Yeltsin and expressed confidence that his victory in the elections would contribute to stabilizing relations between the West and the East and searching for a solution to the problem of security.

According to Chirac, "both countries share the same attitudes towards the problem of security in Europe." He said the process of NATO expansion must without fail take into consideration the interests of Russia, Belarus, and Ukraine.

Developing of bilateral economic relations was one of the most important subjects of the talks, at which were discussed the prospects of France ratifying an agreement on cooperation which was signed by the EU and Belarus. The French side said it would be possible to ratify the agreement in the fall. The two presidents were not happy with the present level of economic cooperation between the two countries. Chirac spoke in favor of attracting French funds toward developing the Belarusian economy.

Immediately after the meeting at the Elysee Palace Lukashenka had a talk with Ives Galland, French minister delegate for finance and foreign trade. ITAR-TASS learned from informed sources that they discussed ways of ensuring that Belarusian enterprises enter the European and the world market as an equal among equals. They also discussed the lifting of anti-dumping restrictions imposed by the EU — on the production of the Mogilev chemical fiber works, for instance.

The Belarusian president is planning to hold several meetings with businessmen and to visit Normandy to study French agricultural methods.

Belarus: Russian Duma Chairman Pays Official Visit

LD1107143696 Moscow ITAR-TASS in English 1326 GMT 11 Jul 96

[FBIS Transcribed Text] MINSK July 11 (Itar-Tass) — The Parliamentary Assembly of the Russian-Belarus Community will apply for registration as an international organization, Chairman of the State Duma Gennadiy Seleznev said today. He is leading a delegation of the lower chamber of the Russian parliament, which is staying here on an official visit.

After his meeting with Chairman of the Belarus Supreme Soviet Semyon Sharetskiy, Seleznev said that MPs from both countries had come to the conclusion that it was necessary to organize with the help of the Parliamentary Assembly control over the work of the executive committee, created within the Community. The formation of a working apparatus of that international organization, made up of 32 people, will be completed before the opening of the autumn session of the Assembly which, most probably, will be held in Belarus.

Russia and Belarus are moving more and more confidently towards a new unification, based on the principles of sovereignty, free will and mutual advantage, and the Treaty on the Creation of the Community of our two states is a "history-making landmark on this way," Seleznev said, addressing today a session of the Belarus Supreme Soviet.

It is extremely important, he continued, that citizens of our countries should begin to feel right now, and not in the future, that we did not just proclaim the main principles of cooperation, but are putting into effect concrete resolutions, aimed at meeting their essential demands.

The restoration of disrupted economic ties will require tremendous effort, aimed at improving and stimulating the work of the leading Russian and Belarus industrial enterprises and synchronising the market transformation processes, including privatization, Seleznev said.

According to Seleznev, it is necessary to provide a reliable legal basis and bring into line the fundamentals of the legislations of both countries in the sphere of taxation, investment, currency, finances and banking. Measures will be taken soon to develop a common transport network with single freight and passenger tariffs, to create a common power system, common scientific, technological and information space, he said.

In his opinion, the creation of the Community is not just an achievement of Russia and Belarus. If it is a success clear to all, it will be a good example, a sort of integration model on the whole of the post-Soviet territory.

The Duma Chairman stressed that the role of parliaments in Russia, Belarus and other CIS member states in the development of partnership in European style and the creation of a model of extensive security system on the continent should and can be more impressive. He mentioned in this connection that Russian MPs, acting within the framework of the Treaty on the Creation of the Community, are going to promote in the Council of Europe, taking into consideration new opportunities there, the admission of Belarus to that influential international organisation as soon as possible.

Belarus: Russian Duma Speaker Addresses Parliament

LD1107203496 Minsk Radio Minsk Network
in Belarusian 1600 GMT 11 Jul 96

[FBIS Translated Text] The first session of the 13th Supreme Soviet of Belarus continued its work today in Minsk. Our special correspondents Lyudmila Makarava and Valyantsina Vereshchagina report on what hap-

pened in the Oval Hall at plenary sittings of the parliament.

[Begin recording] In the morning, the deputies adopted a resolution on the main directions of economic policy. In the course of the day they completed the consideration of and adopted a number of draft laws which had been discussed earlier.

The Belarusian parliament was visited today by a delegation from the State Duma of the Russian Federation which is staying in our country on an official visit. The Duma leader, Gennadiy Seleznev, addressed the parliament.

[Seleznev, in Russian] Esteemed colleagues, Belarusian parliamentarians, esteemed Syamyon Georgiyevich [Sharetski], dear friends. Allow me first of all to express sincere gratitude for the kind invitation to come again, now on an official visit at the head of a delegation of the State Duma of the Russian Federal Assembly, to your hospitable republic, which is dear to every Russian's heart. I am grateful to the leadership of the Supreme Soviet for an opportunity to speak to you today here. Taking advantage of this opportunity I would like to pass to you, my dear friends, cordial greetings and the kindest wishes from your colleagues deputies of the State Duma and from the members of our group of friendship with the Belarusian parliament. Every time when I come to Belarus I feel special and sacred feelings — I am not afraid of these words — because I know that we are met here by real friends, our brothers and sisters in our beliefs, historical and spiritual kinship and common hard destiny.

Adjusting and assessing the logic of each decision, Russia and Belarus, step by step, are moving more and more confidently to a new unity based on the principles of sovereignty, free will and mutual benefit. The treaty, signed on 2 April 1996, on creating a community of our states is a truly historic landmark on our path. The idea of a deeply integrated community and the merging of the economic and spiritual potential, which answers the fundamental interests and aspirations of our two fraternal Slav nations, creates the necessary conditions for the revival of the economy and the standards of life, for the overcoming of many current difficulties which Russia and Belarus face after the collapse of the Soviet Union. It is extremely important that the citizens of our countries should begin to feel not in a distant future but now that we have not just declared the main principles of cooperation but are implementing specific decisions aimed at satisfying their most basic needs.

In terms of restoring the broken economic links, we will have to begin rehabilitating and stimulating the work of the leading Russian and Belarusian enterprises,

synchronizing the processes of market transformations, implementing a complex of privatization measures and launching the mechanisms of a number of supranational bodies, from which we expect mutual benefit. For example, the creation of the Russian-Belarusian customs union and the removal of superfluous barriers in the way of cooperation between economic entities and individuals have already brought the increase in the production of over 100 most important types of goods. A joint management of the customs services is now being established. Russia is interested in receiving Belarusian tractors, trucks, petroleum products, products made of ferrous metals, rubber products, mineral fertilizers [words indistinct]. Your republic needs [word indistinct] deliveries from Russia of oil and natural gas, ferrous metals, cars, synthetic caoutchouc, cotton fabrics, wood pulp and many other things. The task of modernizing the existing enterprises and creating new ones is a topical one. While solving this task by joint efforts at joint enterprises and financial-industrial groups it is necessary first of all to ensure a reliable normative and legal basis and to unify the fundamental principles of the legislation on both sides in the area of taxation, investment, hard currency, financial and [words indistinct]. During the second six months of this year the presidents will [words indistinct] to create joint payment clearance system, a joint (scientific management center) [words indistinct]. The meeting of the Supreme Council of the community has answered many doubts, critical comments and accents. It has shown that the community is not an imaginary structure. It is a live body which reacts sensitively to the needs of the reality and which has begun to work actively in the interests of our nations. [end recording]

Belarus: Foreign Minister Meets With Russian State Duma Chairman

WS1107133696 Minsk BELAPAN in English
1305 GMT 11 Jul 96

[FBIS Transcribed Text] Minsk, 10 July — Gennadiy Seleznev, Chairman of the Russian State Duma, held talks with Belarusian Foreign Minister Uladzimir Syanko on the afternoon of July 10. During the talks Mr. Syanko dwelt on the recent Presidential elections in Russia and the problem of integration. The foreign minister expressed certitude that integration between the two countries should be intensified. In this regard Mr. Syanko recalled the May 1995 referendum in Belarus, when, according to him, over 80 percent of the Belarusian population spoke in favor of integration with Russia. Mr. Seleznev stressed that Belarusian-Russian relations show how relations can develop between two friendly states in the CIS. However, in Mr. Seleznev's opinion, some Western states, in particular the USA,

have negative attitudes towards Belarusian-Russian integration. Mr. Seleznev assured the Belarusian foreign ministry that Russia, which has recently become a full member of the Council of Europe would assist Belarus in its admission to this international organization as soon as possible. However, according to Mr. Seleznev, membership of the Council of Europe calls for a great responsibility, and Russia has already had an opportunity to see that. For instance the Council of Europe proposes the abolition death sentences as soon as possible and bringing the Russian norms of keeping in prison into line with the requirements of the Council of Europe. The Council of Europe member states are obliged to spend at least \$15 on one prisoner daily. Mr. Seleznev asked Belarus to assist Russia in the development of relations with Ukraine, and pointed out that Belarusian-Ukrainian relations developed in a more constructive way.

Speaking about the results of the recent presidential elections in Russia Mr. Seleznev stressed that one should not overlook the 30 million Russian people who did not participate in the second round of elections. That is why the present government must take into consideration the opinions of various social groups.

Apart from Mr. Syanko, the talks with Mr. Seleznev were attended by First Deputy Foreign Minister Valeriy Tsapkala, and Deputy Foreign Minister Ivan Ananovich.

Belarus: Sharetski, Seleznev Oppose NATO Expansion Eastward

WS1207100596 Minsk BELAPAN in English
0617 GMT 12 Jul 96

[FBIS Transcribed Text] Minsk, 11 July — The chairman of the Russian State Duma Gennadiy Seleznev and the chairman of the Belarusian Supreme Soviet Syamyon Sharetski expressed content with the results of the Russian parliamentary delegation's visit to Belarus at a general news conference on July 11 — although no documents were signed. Nevertheless, as Mr. Seleznev pointed out, he had an opportunity to acquaint himself with all of the branches of power (shortly before the news conference he spent 45 minutes in the Belarusian Constitutional Court). Mr. Seleznev confirmed Russia's negative attitude towards NATO's expansion eastwards. He stressed that "today nobody wants to have new strong countries," — this is especially the wish of the USA. The United States, Seleznev said, would like to be predominant not only on its own continent, evidence of this is the fact that it was the USA that in fact initiated NATO's expansion. "A powerful alliance of Slavic states may appear" on the basis of the CIS, the

"Union of the Four" and the Belarusian-Russian Community, and "not all are interested in this." Mr. Seleznev expressed hope that at the OSCE Lisbon summit, scheduled for autumn, there would be discussion of problems concerning European security not on the basis of NATO. Supreme Soviet Chairman Syamyon Sharetski seconded this viewpoint and added that while in the USA he had raised this point in the US Congress. Commenting on the initiative to create a non-nuclear zone in the center of Europe, which was voiced by President Lukashenka on July 3, Mr. Seleznev said, "This can be in the remote future." Answering a question about the likelihood of the abolition of the post of president, Syamyon Sharetski pointed out that one should follow the Belarusian Constitution which stipulates a presidency. "One should not confuse the notions 'presidential republic' and the presence of a president. A parliamentary republic very often envisages a president. The main point here is his authority, relations with the government and parliament," the parliamentary speaker stressed. "In any case such questions should be decided in a legal way."

Moldova

Moldova: Romanian President Accused of Meddling in Moldovan Affairs

LD1107192496 Moscow ITAR-TASS in English
1653 GMT 11 Jul 96

[By Valeriy Demidetskiy]

[FBIS Transcribed Text] CHISINAU, July 11 (Itar-Tass) — The "Unity" socialist faction of the Moldovan parliament has accused Romanian President Ion Iliescu today of interference in Moldova's internal affairs. The accusation was made following a statement made by the Romanian president in Moldovan parliament during his official visit to Chisinau on July 5-6. The Romanian president declared that "from the scientific point of view, the Moldovans are Romanians and speak the Romanian language."

The "Unity", the second biggest faction in Moldovan parliament, circulated a statement today in which it expressed surprise at "Iliescu's mentor's" instructions as to how the Moldovan state language should be called. Representatives of the socialist faction believe that Iliescu's allegations that "Romanians live in Moldova" and the president's reference to Moldova "as part of Romania's space" show "that the Romanian president is unprepared to treat Moldova as an equal partner."

The problem of the name of the Moldovan State language was long ago raised from a scientific to a political level. Leaders of students' movement who held thousands-strong protest actions in Chisinau last spring demanded that the Moldovan language be replaced by the Romanian language. In compliance with the protesters' demands president Mircea Snegur put forward an initiative in parliament, suggesting to amend the Constitution.

However, Snegur's initiative was turned down by the parliamentary majority represented by the ruling Agrarian-democratic party and Moldovan Prime Minister Andrey Sangheli. In response, Snegur withdrew from the Agrarian party and founded a pro-presidential Revival and Accord Party. The Moldovan press described the move as the beginning of a contest for the presidential post due on November 17, 1996. To all appearances, the presidential campaign will be joined by Mircea Snegur, parliamentary Speaker Petr Luchinskiy and Moldovan Prime Minister Andrey Sangheli.

Moldova: Dniester's Shevtsov: Lebed Wants 'To Settle Accounts'

AU1107134696 Chisinau BASAPRESS in English
2150 GMT 10 Jul 96

[FBIS Transcribed Text] Kiev, 10/07/1996 (BASAPRESS) — "I am sure that Aleksandr Lebed will try to settle accounts with me," Dniester Security head, Vadim Shevtsov, told the Ukrainian newspaper NEZAVISIMOST (Independence).

"But I am not afraid of Lebed. He can liquidate me physically, but he can never destroy me morally," said Shevtsov.

The Dniester security head thinks Lebed's nomination as Security Council secretary would have no bearing upon Dniester's future since it is not "Russian gubernia [province]."

Commenting on the draft memorandum on the principles of settlement of the Moldovan-Dniester relations, Shevtsov said "it does not mean that we're getting closer to Moldova — the memorandum only regulates our relations with Moldova."

"Thus, our relations with other countries, including Russia, will have a new foundation," said Shevtsov.

Kyrgyzstan

Kyrgyzstan: One Third of U.S. Aid May Have Been Stolen

LD1207092796 Bishkek VECHERNIY BISHKEK
in Russian 0902 GMT 12 Jul 96

[FBIS Translated Text] One third of the American humanitarian aid (about 5,000 tonnes of butter) granted to Kyrgyzstan in 1993 has most probably been looted. The butter was indeed sold to the population, but the payment for it has not reached the treasury.

We were informed about this at the prosecutor general's office, which together with the Ministry of National Security and the government's State Financial Inspectorate has checked the use of funds raised from the sale of the humanitarian aid.

Temirbek Kulov, then first deputy minister of industry, trade, and material resources, had been instructed to take charge of the aid.

Incidentally, by a decision of the Kyrgyz-American commission for agricultural business and rural development, all the aid was supposed to be channelled to farmers. Alas, that did not happen.

Half of the butter (worth 26 million soms) was immediately handed over to Uzbekistan to repay debts for natural gas. Temirbek Kulov distributed the remaining produce to three trade structures for sale: The Bayyr, Oshmyasomoltorg [Osh Meat and Milk Trade], and Maykam joint stock companies. The joint commission received the funds through the Ministry of Industry and Trade and deposited them in commercial banks in order to get extra revenue (the usual practice).

For example, the commission deposited 5 million soms with the Kyrgyz Zher joint-stock commercial bank, which immediately lent half of it to the Inkom-Energiya joint venture. Inkom-Energiya's director general S. Talasbayev, immediately converted them into dollars. When the inspectors asked where the sought-after \$225,000 were, they were given various accounts: the dollars were allegedly spent on purchasing gas, they are allegedly being used to buy grain in Kazakhstan, and so on. The current total of the joint venture's outstanding debts for the credit, including the interest, exceeds 3.5 million soms.

The Maksat bank has in more or less the same manner squandered the sum of 5.6 million soms deposited with it. The budget has not received a total of about 11 million soms.

According to our information, it has virtually been decided to institute criminal proceedings against those

whose fault it is that part of the American humanitarian aid has brought absolutely nothing into the treasury.

Kyrgyzstan: Russia Says Kyrgyzstan Fair Toward Ethnic Russians

LD1107134196 Moscow INTERFAX in English
1250 GMT 11 Jul 96

[FBIS Transcribed Text] MOSCOW, July 11 (Interfax) — Russian Foreign Minister Yevgeniy Primakov thoroughly discussed a number of issues concerning the situation of ethnic Russians in Kyrgyzstan, Russian Foreign Ministry spokesman Grigoriy Karasin told a briefing in Moscow Thursday.

Primakov's official visit to Kyrgyzstan ended Thursday, he said.

Primakov was satisfied with the ambience and contents of his meetings in Kyrgyzstan, Karasin said.

"At present a simplified procedure for granting citizenship is being elaborated," he said. "This problem appears very important to us, moreover that the mass outflow of ethnic Russians from Kyrgyzstan has virtually stopped, unlike some other countries."

Kyrgyzstan is one of the former Soviet republics that practice a "civilized and constructive approach to the problems of ethnic Russians there, a favorable distinction from some other states of the near abroad," Karasin said.

Tajikistan

Tajikistan: UN Offers Compromise Plan To End Fighting

LD1107151896 Moscow INTERFAX in English
1456 GMT 11 Jul 96

[FBIS Transcribed Text] ASHGABAT, July 11 (Interfax) — U.N. representatives at the talks between the delegations of the Tajik government and the Tajik opposition that are now under way in Ashgabat, the capital of Turkmenistan, have worked out a compromise plan to end the fighting and extend the existing accord between the sides. The plan was introduced to the negotiators during separate consultations on Thursday, Herd Merrem, a special envoy of the U.N. secretary-general, told reporters.

The plan has been drawn up with consideration of the programs introduced earlier by the two delegations, he said. However, the U.N. envoy said it was premature to comment on the plan in detail.

The delegations of the Tajik government and the Tajik opposition are expected to consider the plan proposed

by the United Nations on Thursday and Friday and offer their reactions to it. The sides may hold separate consultations on Friday.

Tajikistan: UN Envoy Praises Iran's Role in Tajik Peace Process

*LD1107213296 Tehran IRNA in English
2050 GMT 11 Jul 96*

[FBIS Transcribed Text] Dushanbe, July 11, IRNA — The United Nations' envoy to the Tajik peace talks, Gerd Merrem, in Ashgabat on Thursday [11 July] praised the role of Iran as a peace mediator and called on the Islamic Republic of Iran to continue its efforts to restore peace in the war-torn Central Asian republic.

He told the reporters at the 6th round of the Tajik peace talks in Ashgabat that since the beginning of the conflict in Tajikistan, Iran has been trying its best to restore peace in the republic by bringing closer the stances of the government and the opposition.

Merrem referred to a peace accord which was inked in Tehran two years ago between the Tajik Government and the leaders of the opposition forces, and termed it as among the "peaceful measures" sponsored by the Islamic Republic of Iran.

He expressed satisfaction over the peace talks and called on the adversaries to end their military operations in the southern and eastern parts of the country and to pave the ground for continuation of the peace negotiation.

The sixth round of the Tajik peace talks started work in the Turkmen capital of Ashgabat on Monday.

Tajikistan: Kyrgyz President Arrives in Dushanbe, Comments

*LD1207090096 Moscow INTERFAX in English
0840 GMT 12 Jul 96*

[FBIS Transcribed Text] BISHKEK, July 12 (Interfax) — Kyrgyz President Askar Akayev arrived Friday on an official visit in the Tajik capital of Dushanbe.

He is aiming to lay "a solid legal foundation for a dynamic advance in all aspects of Tajik-Kyrgyz relations," Akayev told journalists at the Dushanbe airport.

His visit is a show of solidarity with "the Tajik president's, parliament's and government's active moves for national reconciliation," Akayev also said.

The Russian elections have introduced "favorable circumstances for the long-due enforcement of our economic and customs agreements" and the advancement of bilateral relations.

The mandate of the collective peacekeeping force of the Commonwealth of Independent States in Tajikistan should be extended, Akayev said in response to a question from an Interfax correspondent. Kyrgyzstan was one of the first among the CIS republics to uphold the idea of building a collective peacekeeping force and detailed a peacekeeping battalion to Tajikistan, he reminded reporters.

"As long as it serves the interests of the Tajik people, Kyrgyzstan will keep sending peacekeepers to Tajikistan. We want to contribute to the restoration of peace and quiet in the republic," Akayev said.

Tajikistan: German Military Delegation To Monitor Arms

*LD1107155796 Dushanbe Radio Tajikistan Network
in Russian 1100 GMT 11 Jul 96*

[FBIS Translated Text] A KHOVAR correspondent has learned from the Tajik Defense Ministry press center that three representatives of the German Defense Ministry, Col Hermann Wilhelm Nikolay, Lt-Col Baumdenbacher Erich Fritz Herz, and Capt Wein Markus, are visiting our republic. They arrived in Tajikistan in accordance with the 1994 weapons monitoring treaty signed in Vienna. The German officers visited one of the military units of the Tajik Defense Ministry and familiarized themselves with the living conditions of servicemen and their activity. The guests then visited the Lokhur military training center and met officials from the country's Defense Ministry.

This is the second visit to Tajikistan by delegations of foreign observer countries. As is known, representatives of Great Britain visited Dushanbe earlier.

Turkmenistan

Turkmenistan: Russia Hails Inter-Tajik Talks in Ashgabat

*LD1107135796 Moscow ITAR-TASS in English
1302 GMT 11 Jul 96*

[By Valeriy Sevryukov]

[FBIS Transcribed Text] MOSCOW, July 11 (Itar-Tass) — The Russian side hails the third stage of the non-stop round of the inter-Tajik talks under the U.N. aegis in the Turkmen capital Ashgabat, Russian Foreign Ministry spokesman Vladimir Andreyev told a briefing here on Thursday.

"We hope that the new meeting in Ashgabat will be used to the utmost by the two Tajik sides for serious political work," the spokesman stressed.

The diplomat noted that the delegations of the Tajik government and the united Tajik opposition agreed to settle questions, as a priority matter, connected with the observance of the Ceasefire Agreement of September 17, 1994 and the exchange of prisoners of war, and then to turn to the discussion of political issues of achieving national reconciliation.

"Russia, as before, is ready, closely cooperating with the special envoy of the U.N. Secretary-General for Tajikistan and observer states, to do everything possible to push forward the negotiating process," Andreyev noted.

Turkmenistan: Deputy Premier, Indian Minister Meet in New Delhi

LD1207095596 Moscow ITAR-TASS in English
0938 GMT 12 Jul 96

[By Leonid Kotov]

[FBIS Transcribed Text] NEW DELHI, July 12 (Itar-Tass) — India comes out in favour of developing political and economic contacts with Turkmenistan — one of its main partners in the Central Asia region, relations with which promote stronger peace and cooperation in Asia, Inder Kumar Gujral, Indian Minister of External Affairs, has stated during talks here with visiting Boris Shikhmuradov, Turkmenistan's Vice-Premier and Minister of Foreign Affairs.

The two Foreign ministers discussed a wide range of matters connected with major world and regional problems, as well as the state of Indo-Turkmen cooperation.

Mr Gujral highly appreciated the efforts made by Turkmenistan President Saparmurad Niyazov to arrange for the current third phase of the continuous round of inter-Tajik talks which are being conducted in Ashgabat under U.N. auspices.

"India is interested in the termination of military confrontation in Tajikistan, the confrontation which is having the most negative effect on peace in the Central Asia region and beyond it. We welcome Turkmenistan's peacemaking role and its efforts to promote national reconciliation in Tajikistan," the Indian Minister said.

"India and Turkmenistan are brought together by a common point of view on the need to put a stop to

foreign interference in the affairs of Afghanistan. This must be done with a view to putting an end to the civil war in that country and preventing the growth of political extremism and international terrorism in Central and South Asia," Shikhmuradov has told Itar-Tass.

"Turkmenistan's status of neutrality has received India's support, which enables us still more widely and closely to cooperate with the republic, which is the recognised leader of the Non-Aligned Movement.

"Turkmenistan and India have great potential for the development of bilateral economic contacts, particularly in the production of oil and natural gas. Stronger cooperation between the two countries is also being promoted by this year's opening of a new trade route — a railway — to transport Indian commodities to CIS countries across Turkmenistan's territory from the Iranian port of Bandar Abbas," Shikhmuradov said.

Turkmenistan: Iran Engaged in 17 Projects in Turkmenistan

LD1007165196 Tehran IRNA in English
1637 GMT 10 Jul 96

[FBIS Transcribed Text] Ashgabat, July 10, IRNA — Iran is one of the most important trade partners of Turkmenistan, Iranian ambassador to Ashgabat Seyyed Mehdi Mir-Abu-Talebi said here Wednesday. Talking to IRNA, Mir-Abu-Talebi said that at present Iranian firms have are engaged in 17 big and small projects in Turkmenistan, some of which have been completed.

He added that among the projects being handled by Iranian firms in Turkmenistan were the water supply for the historical city of Merv, a link road between Gugtappah and Ashgabat, railway tracks between Arteeq and Lotfabad, six silo units and a chinaware production unit, an exhibition ground and centre for repairing Iranian cars and laying of optic fibre cables.

Another important project carried out by Iranians experts, said the Iranian ambassador, was laying of pipelines for transfer of natural gas from Turkmenistan to Iran.

Armenia**Armenia: News Agency Director Discusses Furor Over Shooting Story***NC1107123796 Yerevan NOYAN TAPAN in English 1100 GMT 11 Jul 96*

[FBIS Transcribed Text] Yerevan, July 10 (NOYAN TAPAN)—Director General of the Armenian state-run "ARMENPRES" news agency Tigran Hakopyan said Wednesday [10 July] that his agency had not disseminated news about the alleged meeting between Armenia's Prime Minister Grant Bagratyan and the Governor of Turkey's Kars province, during which Governor's bodyguard reportedly fired at Grant Bagratyan and Defense Minister Vazgen Sargsyan, who was accompanying him in that visit.

Hakopyan alleged that the news was reported to the Russian INTERFAX news agency by a correspondent of the RESPUBLIKA ARMENIA daily, Vagran Stepanyan.

However, Stepanyan alleges that he obtained this information from "ARMENPRES" news agency. Yet no such information had been found in computers of the RESPUBLIKA ARMENIA daily.

Hakopyan noted, that following the law on mass media, the previously spread information should have been kept in computers of the editorial office for at least 7 days. For instance, ARMENPRES's news are kept in computers for at least six months. On Hakopyan's request Stepanyan presented the news, that he allegedly received from ARMENPRES. However, Tigran Hakopyan said that the news had not been compiled in accordance with ARMENPRES's standards. Hakopyan denied any relation of his agency to the disseminated false news.

National security agents have thoroughly checked all files and news releases that had been provided to the RESPUBLIKA ARMENIA daily on that day. Hakopyan ruled out any uncontrollable release of information, saying that information duplicates are always kept in computers of the Editor-in-Chief and Agency's Director.

Mr. Hakopyan brushed away the version suggesting that the incident was connected with the information hooliganism. According to him, Stepanyan had heard this news somewhere and reported it to the Russian mass media outlets. However, when it turned out that he had to assume responsibility for spreading such a news, he immediately referred to "ARMENPRES".

Hakopyan hopes that the investigation started by the national security agencies will clear up the situation.

Armenia: Fired Newsman Explains Shooting Story, Blames INTERFAX*NC1107121996 Yerevan NOYAN TAPAN in English 1100 GMT 11 Jul 96*

[FBIS Transcribed Text] Yerevan, July 11 (NOYAN TAPAN)—Armenia's National Security Ministry issued a statement in connection with the news about the alleged attempt on Grant Bagratyan's and Vazgen Sargsyan's lives spread by the Russian INTERFAX news agency. As it follows from the statement the "computer hooliganism" had been committed by the Editor-in-Chief of the RESPUBLIKA ARMENIA daily Artashes Khachatryan. Artashes Khachatryan has been fired from the editorial office of the daily, the statement says.

In an interview with an NT [NOYAN TAPAN] reporter Artashes Khachatryan alleged that the news about the incident had been typed on one of editorial office's computers. He said they did it just to make fun of one of their colleagues. However, INTERFAX' free lance reporter who also worked for the RESPUBLIKA ARMENIA daily, seeing such a sensational news, did not even check the information and reported it further to INTERFAX. In a half an hour the joke was out and the INTERFAX news agency received an official denial of the previously reported information.

Khachatryan said that INTERFAX had an hour and a half before the airing of the information, and it could check the two mutually-exclusive news. However, the agency preferred to release the first information.

Artashes Khachatryan opined that the responsibility for such a fault should be laid on INTERFAX news agency, rather than on INTERFAX' reporter. He said INTERFAX should check such information, before spreading it worldwide.

Azerbaijan**Azerbaijan: Aliyev Accuses Cabinet of Economic Mismanagement***LD1107170996 Moscow INTERFAX in English 1239 GMT 11 Jul 96*

[FBIS Transcribed Text] [No dateline as received] — Azerbaijani President Geydar Aliyev has lashed out against the cabinet for "inability to organize proper economic management."

Speaking at a cabinet meeting, held to survey economic performance over the first half of this year, Aliyev charged the cabinet with failure to organize systemic economic management.

"Everything we mapped out at the January 8th, 1996 session has remained on paper," he said, describing the work done over the period as "unsatisfactory."

Although the country has chosen sweeping economic reforms, neither the government, nor ministries, departments, or other managerial structures have lived up to what was expected of them, Aliyev said, pointing to "major shortcomings" in the work of managerial bodies and demanding that these bodies "monthly analyze the state of economy."

The cabinet has never bothered to conduct such analysis, even though "it is obvious that the country's economy cannot be allowed to drift," Aliyev said.

"Each ministry, each economic unit should know what need to be done today and tomorrow, and what they should seek," Aliyev said, adding that the main priority for the cabinet is to advance the economy and carry out structural changes.

Aliyev then instructed the cabinet to draft a plan of how to take the basic industries out of the crisis. This above all concerns "the fuel and energy, chemical, and machine building complexes," president said, explaining that under structural changes he meant primarily privatization. However, "gross errors and miscalculations were made in this field, too," he admitted.

For this reason, he addressed "a serious warning" to Deputy Prime Minister Tofic Azizov, chairman of the State Property Committee. He warned Azizov that if he fails "to achieve an early breakthrough" with privatization, "appropriate conclusions will be made."

In addition to that, Aliyev complained about the lack of precise information on oil and gas extraction and refinement in Azerbaijan.

He recalled in this connection that in Soviet time the republican leadership was daily filled in not only on how much oil and gas were extracted but also on how much was refined and sold.

"More than that, we had information on each concrete oil well," Aliyev remarked, adding that now the country's oil and gas complex "operates virtually without control."

For this reason, he drew attention to "blunders in the work of all bodies - from top to bottom - responsible for the national economy."

Announcing his decision to convene the next cabinet meeting on July 18th, Aliyev asked ministers and department chiefs to prepare an account for accomplishments over the first half of this year.

Azerbaijan: Associates of Ex-Premier Guseynov Seen in Western Regions

NC1007172896 Baku TURAN in English
0830 GMT 10 Jul 96

[FBIS Transcribed Text] Baku/10.07.96/TURAN — Early last week three groups of associates of ex-premier of Suret Guseynov have been noticed in the Belakan region of the republic, local source told TURAN Agency. The same source reports several groups of Suret Guseynov's associates (30-40 persons) have penetrated in the Belakan region from the territory of Georgia.

Three days ago Suret Guseynov's associates were noticed in Yevlakh city — Huseynov's motherland. For a long time ex-premier headed the plant for wool procession in Yevlakh city. Yesterday Guseynov's associates have emerged in Ganja city, where in June 1993 Suret Guseynov excited military mutiny.

The purpose of arrival of ex-premier's associates is not clear.

Azerbaijan's Ministry of National Security has neither acknowledged nor refuted information about emergence of Suret Guseynov's commandos in Azerbaijan.

Azerbaijan: Armenian-Russian Military Personnel Protocol Detailed

NC1007120896 Baku TURAN in English
1000 GMT 10 Jul 96

[FBIS Transcribed Text] Moscow/10.07.96/TURAN— Under the protocol on cooperation in field of preparation of military personnel and military education signed between Armenia's and Russia's Defence Ministries on May 2, 1996, this year Yerevan will send several groups to Russia's military schools. The sources from Russian Defence Ministry report the Armenian side considers preparation of specialists of military aviation to be a priority and a group of persons, who in the near future are to be sent to Sizran's high military-aviation school, has been prepared in Armenia. When graduated from the military school, Armenian aviation specialists will receive a diploma of navigation officers, technical service specialists as well as pilots of military planes and helicopters.

Cooperation of two states in field of military deliveries has been expanding. The source from the headquarters of Group of Russian Troops in Transcaucasia told TURAN till the end of 1996 joint stock company "Slavyanskaya" (Slavyansk-na-Kubani city in Krasnodar region of Russia) producing military uniform and other military goods is to deliver uniform for several units of Armenia's Defence Ministry.

Georgia

Georgia: General Warns of Escalation if Peacekeepers Withdraw

LD1107181596 Moscow INTERFAX in English
1549 GMT 11 Jul 96

[From the "Diplomatic Panorama" feature]

[FBIS Transcribed Text] TBILISI, July 11 (Interfax)

— The withdrawal of peace-keepers from the area of the Georgian-Abkhaz conflict may escalate tensions between Georgia and Abkhazia, the peacekeepers' commander General Vasilii Yakushev has said.

General Yakushev told a meeting of Georgian and Abkhaz delegates, peace-keepers' representatives and U.N. military observers in Zugdidi, western Georgia, that the Russian peace-keepers efficiently coped with their mission.

Yakushev believes that the question of a likely change in the powers of peace-keeping forces, whose mandate expires on July 19, must be solved with the consent of the Georgian and Abkhaz sides.

Tbilisi, however, has said the peace-keepers may stay in Abkhazia only on condition their mandate is changed so as to promote the safe return of refugees home. The Georgian opposition insists on the unconditional pullout of the peace-keepers. Sukhumi wants their mandate prolonged without expanding powers.

Georgian Ambassador in Moscow Vazha Lordkipanidze has said that experts were to resume talks on the peacekeepers' mandate soon.

Meanwhile, observers in Tbilisi recall that Georgia has not raised the question of removing peace-keepers from South Ossetia, where they play the same disengagement function.

Russian Embassy adviser in Georgia, Aleksandr Yakovenko, has said that the South Ossetian leaders told him in Tskhinvali on Wednesday that the presence of the Russian peace-keepers in the area of the Georgian-Ossetian conflict plays the decisive role in stabilizing the situation there. "As far as I know, the Georgian leadership shares this opinion," the diplomat said.

Georgia: Envoy to Russia Comments on Abkhaz Conflict Settlement

LD1107143396 Tbilisi Radio Tbilisi Network
in Georgian 1200 GMT 11 Jul 96

[FBIS Translated Text] The mandate of the Russian peacekeeping forces in the Abkhaz conflict zone expires on 19 July. According to Vazha Lordkipanidze, the

Georgian ambassador, after the presidential elections, conditions in Russia for the settlement of the Abkhaz conflict have become rather favorable.

The Georgian leadership has put forward the issue of the settlement of Abkhaz conflict very categorically. First and foremost, of course, the return of refugees will be discussed. This will mechanically raise the issue of the peacekeepers' presence in the conflict zone.

The Georgian side insists that amendments be made to the peacekeeping forces' mandate in accordance with the 19 January summit resolution, otherwise, we shall not support the renewal of the mandate which will raise the issue of the troops withdrawal from the conflict zone.

In the meantime, according to the Georgian leadership's demand, the process of granting Abkhazia a political status must be speeded up. According to Lordkipanidze, in accordance with the principles drawn up by Georgia, Russian-Georgian talks will resume in the near future.

Georgia: Ministry Denies Internal Troops Deployed in Kodori Gorge

LD1207113396 Tbilisi BGI in Russian
1040 GMT 12 Jul 96

[FBIS Translated Text] [No dateline as received] — The leadership of the Georgian Interior Ministry has branded as misinformation mass media reports that subunits of internal troops are deployed in Kodori Gorge.

At the request of local people in Kodori Gorge, which remains under Georgian jurisdiction, police units have been deployed in order to reinforce order and monitor the crime situation. The leadership of the Georgian Interior Ministry declares that resolving military issues is outside the competence of police units.

Georgia: Abkhaz 'Foreign Ministry' Demands Georgian Withdrawal

LD1207104096 Moscow INTERFAX in English
1029 GMT 12 Jul 96

[FBIS Transcribed Text] SUKHUMI, July 12 (Interfax)

— The Abkhazian Foreign Ministry has demanded that U.N. observers and the Commonwealth of Independent States peacemaking troops command ensure immediate withdrawal of Georgian units from the Kodori Ravine, Abkhazia.

"Their stay in the ravine will break a round of Georgian-Abkhazian negotiations," it said.

A note of protest, sent by the Abkhazian Foreign Ministry to the U.N. observer mission and the peacemakers' command, says that the units' introduction in the ravine violates the agreement on cease-fire and separation of

forces of May 14, 1994, which provides for withdrawal of Georgian units from the Kodori Ravine.

Head of the Georgian Interior Ministry's press center Valerian Gogolashvili told Interfax some time ago that the police unit which entered the Georgia-controlled part of the Kodori Ravine on July 5 "will have purely

police functions and not solve any military tasks." The 100-strong police unit was formed from policemen of the Abkhazian Autonomous Republic, who served in the Gulripsh region of Abkhazia before the Georgian-Abkhazian conflict.

Estonia

Estonia: Residence Permits To Be Granted to 333,000 'Aliens'

WS1207072496 Tallinn BNS in English
1755 GMT 11 Jul 96

[FBIS Transcribed Text] Tallinn, Jul 11, BNS — The Estonian Citizenship and Migration Department has ruled to grant residence permits to nearly 333,000 aliens, Director General Andres Kolli said Thursday. Fifty-nine applications were turned down, he said.

The processing of around 10,000 applications will be discontinued, Kolli said. "These concern mostly people who have died, been naturalized, left Estonia or reversed their decision to seek resident's status," he said.

Some 3,000 applications registered with the department have not yet been considered because the documents submitted by the applicants are incomplete, the director said.

The Citizenship and Migration Department received a total of 345,474 residence permit applications.

Interior Minister Mart Rask said the July 12 deadline when former Soviet passports lose validity in Estonia would not cause any negative changes in the lives of those aliens who have been granted residence permits.

Pensioners will be able to continue drawing pensions and employers are not allowed to dismiss working aliens who have residence and work permits, the minister said.

Rask said a complete population register, which at present contains data on all foreigners who have been granted residence permits, should be ready by the end of the year. Authorities will tackle the people who did not file residence permit applications after July 12, the minister said.

Estonia: Foreign Ministry Explains 'Alien Passport' for Residents

WS1207075096 Tallinn BNS in English
1755 GMT 11 Jul 96

[FBIS Transcribed Text] Tallinn, Jul 11, BNS — The alien's passport issued to Estonia's resident non-citizens allows its holder to travel widely, as most countries of the world will recognize it in practice, the Foreign Ministry says.

The alien's passport has been officially recognized by 13 states, but in practice many countries accept it without sending formal notification of this to Estonian authorities, Foreign Ministry press secretary told BNS Thursday.

He noted that the temporary travel IDs Estonia issues to aliens are officially recognized in nine countries of the world, but in fact accepted in more than 50 states.

All European states, Egypt, Australia, New Zealand and South Africa recognize the travel ID in practice, the spokesman said.

Alien's passports have been officially recognized by Latvia, Lithuania, Britain, the United States, Germany, Finland, Norway, Denmark, Ireland, Israel, Switzerland, Sweden and Jamaica, and indirectly also by Russia.

There are around 200,000 potential applicants for the alien's passport in Estonia, of whom more than one third have filed formal applications.

Estonia: Russians To Picket for Extension of Soviet Passports

WS1207072796 Tallinn BNS in English
1755 GMT 11 Jul 96

[FBIS Transcribed Text] Tallinn, Jul 11, BNS — The Russian Party in Estonia and the national union of Russian citizens are going to organize Thursday evening another picket at the seat of the government and the parliament in Tallinn to demand extension of the validity of passports of the former Soviet Union.

The first picket took place at the end of June.

Organizers demand that the government either extend the validity of the passports beyond the July 12 expiry deadline or find some other acceptable solution to the problem.

By declaring invalid the so-called red passports, which allow people to travel to Russia, Estonia violates its resident non-citizens' right to freedom of movement, picketers claim.

"The temporary travel ID is no solution. The world community is concerned about the Estonian situation. The validity of passports of the former Soviet Union must be extended," the Russian Party in Estonia and the Union of Russian Citizens say in a statement published in Russian-language newspapers.

Estonian government representatives, including Prime Minister Tiit Vahi, have lately made numerous statements to explain that the ex-Soviet passports will be valid as IDs in the Estonian territory also after the July 12 deadline and that non-citizens holding those passports will be able to vote in the local elections in the fall. The only thing the passports will not be good for is crossing the border.

Latvia

Latvia: Latvia Supports Kiev's Proposal for Nuclear-Free Zone

LD1107215196 Kiev UNIAN in Ukrainian
1800 GMT 11 Jul 96

[FBIS Translated Text] Kiev — Latvia has a positive attitude towards the Ukrainian president's initiative as regards setting up a zone free from nuclear weapons in Central and Eastern European regions, Latvian Foreign Minister Valdis Birkavs told journalists on 11 July. He said this issue was also connected with the process of NATO's expansion.

At the same time, Birkavs said there was a contradiction between NATO's statement to the effect that it would not deploy nuclear weapons on the territory of its new member states and the provision set out in NATO's documents, which says that the alliance provides all its member states with "a nuclear umbrella."

Birkavs said the issue of setting up a nuclear-free zone in Central and Eastern Europe should be discussed at length and expressed satisfaction with the fact that Ukraine, which got rid of nuclear weapons recently, was the one to initiate this issue.

Ukrainian Foreign Minister Hennadiy Udovenko said Ukrainian Foreign Ministry was writing letters to foreign ministers of the NATO members states and the states that applied for NATO membership, requesting them to explain Ukraine's stand on the issue. Udovenko said Ukraine was proposing that the issue should be discussed within the framework of NATO.

Latvia: Foreign Minister Departs for Ukraine

LD1107140496 Riga Radio Riga Network in Latvian
1300 GMT 11 Jul 96

[FBIS Translated Text] Latvian Foreign Minister Valdis Birkavs has left for a visit to Ukraine. The press center of the Ministry of Foreign Affairs has told Latvian radio that economic cooperation between the two countries and security and cooperation in Europe will be discussed during the visit. The possibility of free trade between the two countries and the implementation of the agreements which were signed during the visits by the Latvian and Ukrainian presidents will also be discussed.

Valdis Birkavs plans to discuss Ukraine's possible aid to people who suffered during the elimination of the consequences of the Chernobyl disaster. Latvia would wish to receive from the Ukrainian side aid in such a way that these people would be able to check their health at the radiation center of the Ukrainian Academy of Sciences.

Latvia: Minister Briefs on Talks With Russian Economics Minister

WS1107133396 Tallinn BNS in English
1212 GMT 11 Jul 96

[FBIS Transcribed Text] Riga, Jul 11, BNS — The Russian Foreign Ministry is closely following the development of economic cooperation with Latvia and strongly affecting it, Latvian Foreign Minister Valdis Birkavs said.

Birkavs made the conclusion after talks with Russian Economics Minister Yevgeniy Yasin during an economic forum in Salzburg.

Birkavs told reporters Wednesday that he informed Yasin about Latvia's dissatisfaction with the Russian decision to cancel preferential tariffs on rail transits to Latvian and Estonian ports.

Birkavs and Prime Minister Andris Skele are said to have described the move as an attempt to create dishonest competition.

"Russia wants to cancel all possible preferences whatever," Yasin answered to the Latvian leaders, according to Birkavs.

An advisor to the Russian president said during the forum that human rights resembled apartheid in some of Russia's neighboring countries, which also had territorial claims against Russia, Birkavs said.

Birkavs said he had refuted the statement saying that none of international missions visiting Latvia had found any infringements of human rights there.

The participants of the Central and Eastern European economic forum praised the address by Skele who said that the European security cannot be implemented without the involvement of the United States in its setup.

Austrian Prime Minister Franz Vranitzky accepted an invitation to visit Latvia, noted Birkavs.

Lithuania

Lithuania: Belarusian Prime Minister Arrives for Two-Day Visit

LD1207111496 Vilnius Radio Vilnius Network
in Lithuanian 0900 GMT 12 Jul 96

[FBIS Translated Text] A delegation from the Belarus Republic headed by the Prime Minister Mikhail Chyhir arrived today in Lithuania on a two-day official visit.

The Belarusian delegation includes Labor Minister Alyaksandr Sasnow, Justice Minister Valyantsin Sukala,

Defense Minister Lieutenant General Leanid Maltsov, and other officials, the ELTA news agency reported.

The issues of readmission, demarcation of the Lithuanian-Belarusian state border, illegal migration, and the possibilities for further cooperation in the spheres of power engineering and transport will be discussed. The affairs of the Lithuanian center of culture in Rimdziunai will also be raised.

At the request of the Belarusian side, a meeting with Lithuanian bankers will be held at the Bank of Lithuania this afternoon. Following this, a 40-minute talk with Ceslovas Jursenas, chairman of the Lithuanian Seimas will be held.

The Lithuanian-Belarusian intergovernmental agreements are to be signed at the Government Palace.

Belarusian Defense Minister Maltsov will visit the Lithuanian National Defense Ministry where he will meet the Lithuanian National Defense Minister Linas Linkevicius.

The Belarusian defense minister will also visit the headquarters of the Lithuanian Voluntary National Defense Service [SKAT].

Lithuania: Stolen Uranium 'Did Not Come From Ignalina'

MM1107152396 Moscow NTV in Russian
1800 GMT 2 Jul 96

[From the "Segodnya" program: Report over video on foiled sale of Uranium-238 in Klaipeda]

[FBIS Translated Text] [Male correspondent over video of detained men] You are looking at a police video. Six

people have been arrested in Klaipeda trying to sell two containers containing 13 kg of radioactive Uranium-238 for \$300,000. None of the suspects has as yet disclosed where this dangerous material came from. According to Lithuanian nuclear experts, the material could have been used to produce nuclear weapons. It has not been ruled out that the containers could have come from one of Ukraine's military bases. According to a police spokesman, the radioactive material could also have been stolen from the Ignalina nuclear power station.

Stanislovas (?Kayris), deputy director of the Ignalina nuclear power station, is confident that this latest find of the Lithuanian police did not come from his nuclear power station. According to him, Ignalina nuclear power station is closely guarded. However in conclusion of our interview he said:

[Stanislovas Kayris, Ignalina AES deputy director, identified by caption] Whenever the human factor is involved, you can never be 100 percent sure....

[Correspondent over video of exterior of Ignalina nuclear power station] This is the fifth scandal in Lithuania involving nuclear fuel or radioactive substances in the last three years. Each time security at Ignalina nuclear power station has been greatly stepped up, clearly in the fear that the radioactive materials discovered by the police in Lithuania might be periodically disappearing from precisely this nuclear power station. Dmitriy Novikov, Tereza Smirnova, and Juris Benders, NTV Baltic Bureau, Visaginas City. [video shows detainees, radioactive containers, interior, exterior of Ignalina nuclear power station, interview]

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 382
MERRIFIELD, VA

This is a U.S. Government publication produced by the Foreign Broadcast Information Service (FBIS). Its contents in no way represent the policies, views, or attitudes of the U.S. Government.

FBIS collects, translates, disseminates, and analyzes foreign open-source information on behalf of the U.S. Government. Its publications may contain copyrighted material. *Copying and dissemination is prohibited without permission of the copyright owners.*

- Bracketed indicators before the first sentence of each item describe the way in which the material was processed by FBIS.
- Headlines and all bracketed explanatory notes are supplied by FBIS.
- Personal and place names are rendered in accordance with the decisions of the U.S. Board on Geographic Names as adapted by FBIS. Unverified names in radio and television material appear in parentheses and are spelled phonetically; words and phrases in parentheses preceded by a question mark are unclear in the original and deduced from context.

SUBSCRIPTION INFORMATION

U.S. Government Customers

For a list of FBIS products, to subscribe to an FBIS publication, or to indicate a change of address contact:

FBIS
P.O. Box 2604
Washington, DC 20013-2604
Telephone: (202) 338-6735
FAX: (703) 733-6042

Non-Government Customers

Subscriptions are available from the National Technical Information Service:

NTIS
5285 Port Royal Road
Springfield, VA 22161
Telephone: (703) 487-4630
FAX: (703) 321-8547

New subscribers should expect a 30-day delay in receipt of the first issue.